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Standing Committee on Public Accounts
37th Parl., 1st Sess.

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MINUTES OF PROCEEDINGS

[Meeting No. 1](#)

Tuesday, February 20, 2001

The Standing Committee on Public Accounts met at 3:37 p.m. this day, in Room 209, West Block for the purpose of organization.

Members of the Committee present: John Bryden, Odina Desrochers, Mac Harb, Marlene Jennings, Sophia Leung, Philip Mayfield, Shawn Murphy, Gilles-A. Perron, Joe Peschisolido, Alex Shepherd, Greg Thompson and John Williams.*Acting Members present:* Aileen Carrol for Robert Bertrand, Dennis Mills for Mac Harb, Ovid Jackson for Gerry Byrne, Alan Tonks for John Finlay and Vic Toews for Brian Pallister.*Associate Member present:* Vic Toews.

The Clerk of the Committee presided over the election of the Chair.

On motion of Philip Mayfield, it was agreed, - That John Williams do take the Chair of this Committee as Chairman.

Accordingly, John Williams took the Chair.

On motion of Ovid Jackson, it was agreed, - That Marlene Jennings be elected Vice-Chair of this Committee.

On motion of John Bryden, it was agreed, - That Mac Harb be elected Vice-Chair of this Committee.

On motion of Odina Desrochers, it was agreed, - That the Chair, the two Vice-Chairs, an additional Liberal member and a representative of each of the Bloc Québécois, the New Democratic Party and the Progressive Conservative Party do compose the Sub-Committee on Agenda and Procedure.

On motion of Alex Shepherd, it was agreed, - That the Committee retain the services of one or more Research Officers from the Library of Parliament, as needed, to assist the Committee in its work, at the discretion of the Chair.

On motion of Philip Mayfield, it was agreed, - That the Chair be authorized to hold meetings to receive evidence when a quorum is not present provided that at least five (5) members are present including three (3) government members and two (2) members of the opposition.

On motion of Mac Harb, it was agreed, - That in the absence of a reduced quorum of five (5) members, the Chair be authorized to call the meeting to order to hear evidence no sooner than 15 minutes after the time indicated on the notice provided that three (3) members are present.

On motion of Odina Desrochers, it was agreed, - That the witnesses be given five (5) minutes to make their opening statement and if they have additional information, it should be deposited with the Clerk of the Committee, and that during the questioning of the witnesses, there be allocated eight (8) minutes for the first questioner of each party and that thereafter four (4) minutes be allocated to each subsequent questioner, at the discretion of the Chair.

On motion of Ovid Jackson, it was agreed, - That, as established by the Board of Internal Economy and if requested, reasonable travelling, accommodation, and living expenses be reimbursed to witnesses who are invited to appear before the Committee up to a maximum of 2 representatives for any organization.

On motion of Alan Tonks, it was agreed, - That the Committee authorize the Chair, from time to time, as the need arises, to take, in conjunction with the Clerk of the Committee the appropriate measures to provide lunches for the Committee and its Sub-committees, for working purposes, and that the cost of these lunches be charged to the budget of the Committee.

On motion of Gilles-A. Perron, it was agreed, - That the Clerk of the Committee be authorized to distribute documents received from the public only after they have been translated and made available in both official languages.

It was agreed, - That the Committee schedule a meeting on Thursday, February 22, 2001 at 3:30 p.m. with the Auditor General in attendance who will discuss priorities for the consideration of the December 2000 Report containing several Chapters, and that at 5:00 p.m. the Subcommittee on Agenda and Procedure meet to plan its future business.

At 3:50 p.m., the Committee adjourned until 3:30 p.m. Thursday, February 22, 2001.

Santosh Sirpaul

Clerk of the Committee

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MINUTES OF PROCEEDINGS

Meeting No. 2

Thursday, February 22, 2001

The Standing Committee on Public Accounts met at 3:35 p.m. this day, in Room 308, West Block, the Chair, John Williams, presiding.

Members of the Committee present: John Bryden, Odina Desrochers, John Finlay, Marlene Jennings, Sophia Leung, Philip Mayfield, Joe Peschisolido, Alex Shepherd, Greg Thompson and John Williams.

Acting Members present: Paddy Torsney for Gerry Byrne, Serge Cardin for Odina Desrochers, John O'Reilly for Mac Harb and Ivan Grose for Shawn Murphy.

Associate Member present: Serge Cardin.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Researchers.

Witnesses: From the Office of the Auditor General of Canada: L. Denis Desautels, Auditor General of Canada; Sheila Fraser, Deputy Auditor General, Audit Operations and Douglas Timmins, Assistant Auditor General.

Pursuant to Standing Order 108(3)(e), the Committee proceeded to consider the December 2000 Report of the Auditor General of Canada.

L. Denis Desautels made a statement and, with Douglas Timmins, answered questions.

At 5:04 p.m., the Committee adjourned to the call of the Chair.

Santosh Sirpaul

Clerk of the Committee

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MINUTES OF PROCEEDINGS

Meeting No. 3

Tuesday, February 27, 2001

The Standing Committee on Public Accounts met in a televised session at 10:34 a.m. this day, in Room 237-C, Centre Block, the Chair, John Williams, presiding.

Members of the Committee present: Robert Bertrand, Odina Desrochers, Mac Harb, Marlene Jennings, Shawn Murphy, Joe Peschisolido, Alex Shepherd and John Williams.

Acting Members present: Anita Neville and Lynn Myers for Gerry Byrne; John McCallum for John Finlay; Charlie Penson for Philip Mayfield; Judy Wasylycia-Leis for Lorne Nystrom; Stockwell Day for Brian Pallister and Benoît Sauvageau for Gilles-A. Perron.

Associate Members present: Stockwell Day, Charlie Penson and Benoît Sauvageau.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Researchers.

Witness: From the Office of the Auditor General of Canada: L. Denis Desautels, Auditor General of Canada.

Pursuant to Standing Order 108(3)(e), the Committee proceeded to consider the February 2001 Report of the Auditor General of Canada.

The witness made a statement and answered questions.

At 12:30 p.m., the Committee adjourned until Thursday, March 1, 2001.

Santosh Sirpaul

Clerk of the Committee

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MINUTES OF PROCEEDINGS

Meeting No. 4

Thursday, March 1st, 2001

The Standing Committee on Public Accounts met at 3:31 p.m. this day, in Room 209, West Block, the Chair, John Williams, presiding.

Members of the Committee present: John Bryden, Odina Desrochers, Mac Harb, Marlene Jennings and John Williams.

Acting Members present: Ivan Grose for Shawn Murphy, Charles Hubbard for Alex Shepherd, Ken Epp for Philip Mayfield and Maurice Vellacott for Joe Peschisolido.

Associate Members present: Ken Epp and Maurice Vellacott.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Researchers.

Witnesses: From the Office of the Auditor General of Canada: L. Denis Desautels, Auditor General of Canada; Sheila Fraser, Deputy Auditor General, Audit Operations; John Wiersema, Assistant Auditor General, Audit Operations Branch. From the Treasury Board Secretariat: Richard J. Neville, Deputy Comptroller General; Rodney Monette, Assistant Comptroller General and Assistant Secretary, Financial Management Policy and Analysis Sector; and John Morgan, Senior Director, Government Accounting Policy.

Pursuant to Standing Order 108(3)(e), the Committee proceeded to consider the Public Accounts of Canada 1999-2000.

Richard J. Neville from Treasury Board Secretariat made a statement.

L. Denis Desautels from the Office of the Auditor General of Canada made a statement.

L. Denis Desautels, Richard J. Neville and Rodney Monette answered questions.

By consent, the Chair presented the FIRST REPORT of the Sub-Committee on Agenda and Procedure which is as follows:

Your Sub-Committee met on Thursday, February 22, 2001 and has agreed to make the following recommendations:

1. That a televised meeting be scheduled to consider the **Report of the Auditor General of Canada, February 2001** on Tuesday, February 27, 2001 at 10:30 a.m.
2. That the **Public Accounts of Canada** 1999-2000 be considered on Thursday, [March 1, 2001](#).
3. That a meeting be held to consider the **Performance Report of the Auditor General of Canada** for the period ending March 31, 2000.
4. That during the month of March 2001, a meeting be held on the **Treasury Board's Internal Audit and Evaluation Policy** in conjunction with the Auditor General's comments on improving performance in Government spending. (pages 7 to 25 of December 2000 Report)
5. That during the month of March 2001, meetings be held to consider the following Topics on the **October 2000 Report of the Auditor General**:
 - a) **Chapter 11** - HRDC: Grants and Contributions;
 - b) **Chapter 14** - CIDA: Contracts and Contributions;
 - c) **Chapter 15** - Health Canada: First Nations Health.
6. Heating Fuel Rebate Waiver Request from Treasury Board.

It was agreed, - That the FIRST REPORT of the Sub-Committee on Agenda and Procedure be concurred in.

The Committee proceeded to consider matters relating to Reports of the Committee presented to the House during the 36th Parliament.

It was agreed: - That the Committee has considered the following Reports of the Standing Committee on Public Accounts which were presented to the House during the Second Session of the Thirty-Sixth Parliament:

The Eleventh Report - (Canada Infrastructure Works Program: Phase II and Follow-up Phase I audit), tabled in the House June 8, 2000;

The Twelfth Report - (Sole-Source Contracting for Professional Services: Using Advance Contract Award Notices), tabled in the House June 8, 2000;

The Fourteenth Report - (Indian and Northern Affairs Canada - Elementary and Secondary Education), tabled in the House June 8, 2000;

The Fifteenth Report - Chapter 5 of the April 2000 Report of the Auditor General of Canada (Canada Customs and Revenue Agency and Department of Finance - Handling Tax Credits Claims for Scientific Research and Expenditures), tabled in the House October 5, 2000;

Questioning resumed on the Public Accounts of Canada 1999-2000.

At 5:20 p.m., the Committee adjourned to the call of the Chair.

Santosh Sirpaul

Clerk of the Committee



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MINUTES OF PROCEEDINGS

Meeting No. 5

Thursday, March 15, 2001

The Standing Committee on Public Accounts met at 3:39 p.m. this day, in Room 308, West Block, the Chair, John Williams, presiding.

Members of the Committee present: John Bryden, John Finlay, Marlene Jennings, Sophia Leung, Philip Mayfield, Shawn Murphy, Joe Peschisolido, Alex Shepherd and John Williams.

Acting Members present: Serge Cardin for Odina Desrochers; Grant McNally for Brian Pallister.

Associate Members present: Serge Cardin and Grant McNally.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Researchers.

Witnesses: From the Canadian International Development Agency: Charles Bassett, Senior Vice-President; Nicole Mendenhall, Director, Internal Audit, Performance Review Branch; Maurice Lepage, Director General, Contracting Management Division. From the Office of the Auditor General of Canada: David Ratray, Assistant Auditor General, Audit Operations Branch; John Hutchinson, Principal, Audit Operations; Paul Morse, Director, Audit Operations.

Pursuant to Standing Order 108(3)(e), the Committee proceeded to consider Chapter 14 (Canadian International Development Agency - Managing Contracts and Contribution Agreements) of the October 2000 Report of the Auditor General of Canada.

David Ratray from the Office of the Auditor General of Canada made a statement.

Charles Bassett from the Canadian International Development Agency made a statement.

On motion of Philip Mayfield, seconded by Marlene Jennings, it was agreed, - That, pursuant to Standing Order 108(3)(e), the Committee consider the Report adopted by the Sub-Committee on International Financial Reporting Guidelines and Standards for the Public Sector on October 16, 2000, as recommended by the Sub-Committee to the Standing Committee on Friday, October 20, 2000, and

- That the evidence adduced by the Committee and Sub-Committee in relation to this matter during the Second Session of the 36th Parliament be deemed adduced by the Standing Committee in the current session.

On motion of Marlene Jennings, seconded by Philip Mayfield, it was agreed, - That the Clerk of the Standing Committee on Public Accounts be authorized to purchase gifts for presentation by the Committee on official functions.

The witnesses answered questions.

At 5:05 p.m., the Committee adjourned until 3:30 p.m., Tuesday, March 20, 2001.

Santosh Sirpaul

Clerk of the Committee

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Meeting No. 6

Tuesday, March 20, 2001

The Standing Committee on Public Accounts met at 3:37 p.m. this day, in Room 209, West Block, the Chair, John Williams, presiding.

Members of the Committee present: Robert Bertrand, John Bryden, Mac Harb, Philip Mayfield, Shawn Murphy, Brian Pallister, Gilles-A. Perron, Alex Shepherd and John Williams.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Researchers.

Witnesses: From the Office of the Auditor General of Canada: L. Denis Desautels, Auditor General of Canada; Maria Barrados, Assistant Auditor General; Henno Moenting, Principal, Audit Operations. *From the Department of Human Resources Development:* Claire Morris, Deputy Minister; Alan Winberg, Assistant Deputy Minister, Financial and Administrative; Hy Braiter, Senior Assistant Deputy Minister, Service Delivery.

Pursuant to Standing Order 108(3)(e), the Committee proceeded to consider Chapter 11 (Human Resources Development Canada - Grants and Contributions) of the October 2000 Report of the Auditor General of Canada.

L. Denis Desautels from the Office of the Auditor General of Canada made a statement.

Claire Morris from the Department of Human Resources Development made a statement.

The witnesses answered questions.

At 5:26 p.m., the Committee adjourned until 3:30 p.m., Thursday, March 22, 2001.

Santosh Sirpaul

Clerk of the Committee

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Meeting No. 7

Thursday, March 22, 2001

The Standing Committee on Public Accounts met *in camera* at 3:42 p.m. this day, in Room 209, West Block, the Chair, John Williams, presiding.*Members of the Committee present:* John Bryden, Odina Desrochers, John Finlay, Mac Harb, Marlene Jennings, Philip Mayfield, Shawn Murphy, Joe Peschisolido, Alex Shepherd and John Williams.*In attendance: From the Parliamentary Research Branch of the Library of Parliament:* Brian O'Neal and Jean Dupuis, Research Officers.

Pursuant to Standing Order 108(3)(e), the Committee proceeded to consider the Report of the Sub-Committee on International Financial Reporting Guidelines and Standards for the Public Sector on October 16, 2000 as recommended by the Sub-Committee to the Standing Committee on Friday, October 20, 2000

At 4:24 p.m., the sitting was suspended.

At 4:32 p.m., the sitting resumed.

At 4:38 p.m., the Committee adjourned to the call of the Chair.

Santosh Sirpaul

Clerk of the Committee

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MINUTES OF PROCEEDINGS

Meeting No. 8

Tuesday, March 27, 2001

The Standing Committee on Public Accounts met at 3:35 p.m. this day, in Room 209, West Block, the Chair, John Williams, presiding.

Members of the Committee present: John Bryden, Odina Desrochers, John Finlay, Mac Harb, Marlene Jennings, Philip Mayfield, Shawn Murphy, Joe Peschisolido, Alex Shepherd, Greg Thompson and John Williams.

Acting Members present: Reg Alcock for Gerry Byrne and Jim Abbott for Philip Mayfield.

Associate Member present: Jim Abbott.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Research Officers.

Witnesses: From the Office of the Auditor General of Canada: L. Denis Desautels, Auditor General of Canada; Douglas Timmins, Assistant Auditor General, Audit Operations Branch; Maria Barrados, Assistant Auditor General. *From the Treasury Board Secretariat:* Richard J. Neville, Deputy Comptroller General; Keith Coulter, Assistant Secretary, Planning, Performance and Reporting Sector; Rodney Monette, Assistant Comptroller General and Assistant Secretary, Financial Management Policy and Analysis Sector.

Pursuant to Standing Order 108(3)(e), the Committee proceeded to consider the Heating Fuel Rebate Waiver request by Treasury Board, Matters of Special Importance of the December 2000 Report of the Auditor General of Canada and the Treasury Board Internal Audit and Evaluation Policy.

Richard J. Neville from the Treasury Board Secretariat made a statement.

By unanimous consent, the Committee resumed consideration of the Report of the Sub-Committee on International Financial Reporting Guidelines and Standards for the Public Sector on October 16, 2000, as recommended by the Sub-Committee to the Standing Committee on Friday, October 20 2000.

On motion of Alex Shepherd, it was agreed, - That the Committee adopt the Report as the Second Report of the Committee.

On motion of Marlene Jennings, it was agreed, - That pursuant to Standing Order 109, the Committee request that the Government provide a comprehensive response to this report.

On motion of John Findlay, it was agreed, - That the Chair be authorized to make such grammatical and editorial changes to the report as may be necessary without changing the substance of the Report.

On motion of Shawn Murphy, it was agreed, - That the Committee print 50 copies of its Second Report in a tumble bilingual Format.

On motion of Mac Harb, it was agreed, - That the Chair table the Second Report to the House.

Marlene Jennings moved, - That the Committee accede to the request for the publication waiver in the Public Accounts of Canada for the fiscal year ending March 31, 2001, respecting the ex gratia one-time relief payments for higher heating expenses to those individuals who qualify for Goods and Services Tax Credit for the year 2001 - applied on their 1999 Income Tax Returns as requested in the letter dated December 21, 2000 from Richard J. Neville, Deputy Comptroller General, provided that the nature, the number and total amount of payments is published in the Public Accounts of Canada.

Joe Peschisolido moved, - That the motion be amended by deleting the period at the end of the paragraph and adding the following thereto:

and that Treasury Board shall publish the names of rebate recipients on their website and in the electronic version of the Public Accounts of Canada on the Public Works and Government Services website.

And debate arising thereon;

Jim Abbott moved, - That the consideration of the amendment and the motion be deferred to a subsequent meeting pending the receipt of legal advice by the Chair.

After debate, the question being put on the motion, it was negatived on the following division: YEAS: 3, nays: 7.

The question being put on the amendment, it was negatived on the following division: YEAS: 3, nays: 7.

And the question being put on the motion, it was unanimously agreed to.

On motion of Shawn Murphy, it was agreed, - That the Brief submitted by the Canadian Evaluation Society be printed as an appendix to this day's Minutes of Proceedings and Evidence. (See Appendix "PACC-1")

L. Denis Desautels from the Office of the Auditor General of Canada made a statement.

Richard J. Neville, Keith Coulter and L. Denis Desautels answered questions.

30 p.m. the Committee adjourned until 3:30 p.m. Thursday, March 29, 2001

Clerk of the Committee



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Standing Committee
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PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 9

Thursday, March 29, 2001

ORDER OF THE DAY:

Presentation by members of Parliament relating to the end of term of the Auditor General of Canada

WITNESSES:

Office of the Auditor General of Canada:

L. Denis Desautels, Auditor General of Canada.

As Individual:

Richard Bélisle.





MINUTES OF PROCEEDINGS

Meeting No. 9

Thursday, March 29, 2001

The Standing Committee on Public Accounts met in a televised session at 4:08 p.m. this day, in Room 253-D, Centre Block, the Chair, John Williams, presiding.

From the Senate of Canada: Honourable Jean-Robert Gauthier.

Members of the Committee present: Marlene Jennings and John Williams.

Acting Members present: Rodney Cuzner for Robert Bertrand; Paul Szabo for Gerry Byrne; Jeannot Castonguay for Mac Harb.

Associate Members present: Diane Ablonczy, Ken Epp, Art Hanger, Bob Mills and Werner Schmidt.

Other Members present: Peter Adams and Hon. Rey Pagtakhan, Secretary of State (Asia-Pacific).

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Research Officers.

Witnesses: From the Office of the Auditor General of Canada: L. Denis Desautels, Auditor General. *As an Individual:* Mr. Richard Bélisle (Québec).

Pursuant to Standing Order 108(1), Presentation by Members of Parliament relating to the End of Term of the Auditor General of Canada.

The Honourable Jean-Robert Gauthier made a presentation as former Chair of the Committee (1991-1993).

Richard Bélisle made a presentation as former Member of Parliament and Chair of the Committee (1994-1995).

The Chair read a letter on behalf of Mr. Michel Guimond as former Chair of the Committee (1996-1997).

Werner Schmidt made a presentation.

Marlene Jennings made a presentation.

Bob Mills made a presentation.

Paul Szabo made a presentation.

The Chair read a letter on behalf of Philip Mayfield.

Ken Epp made a presentation.

Peter Adams made a presentation.

Art Hanger made a presentation

The Honourable Rey Pagtakhan made a presentation.

Diane Ablonczy made a presentation.

Jeannot Castonguay made a presentation.

Rodney Cuzner made a presentation.

L. Denis Desautels expressed his thanks and made a few remarks.

The Chair made some gracious remarks.

At 5:07 p.m., the Committee adjourned to the call of the Chair.

Santosh Sirpaul

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
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Chair: John Williams, CA

Meeting No. 10

Thursday, April 5, 2001

ORDER OF THE DAY:

Study of Chapter 15 (Health Canada — First nations Health: Follow-up) of October 2000 Report of the Auditor General of Canada

WITNESSES:

Health Canada:

Patrick Borbey, Associate Assistant Deputy Minister, First Nations and Inuit Health Branch;

Peter Cooney, Acting Director General, Non-Insured Health Benefit Program, First Nations and Inuit Health Branch;

Robert Lafleur, Senior Assistant Deputy Minister, Corporate Services;

Ian Potter, Assistant Deputy Minister, First Nations and Inuit Health Branch.

Office of the Auditor General of Canada:

Maria Barrados, Assistant Auditor General;

Ronnie Campbell, Principal, Audit Operations Branch.





Français

MINUTES OF PROCEEDINGS

Meeting No. 10

Thursday, April 5, 2001

The Standing Committee on Public Accounts met at 3:44 p.m. this day, in Room 209, West Block, the Chair, John Williams, presiding.

Members of the Committee present: John Bryden, John Finlay, Marlene Jennings, Philip Mayfield, Alex Shepherd and John Williams.

Acting Members present: Joe McGuire for Shawn Murphy; James Moore for Joe Peschisolido.

In attendance: From Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Research Officers.

Witnesses: From the Department of Health (First Nations and Inuit Health Branch): Ian Potter, Assistant Deputy Minister; Patrick Borbey, Associate Assistant Deputy Minister; Peter Cooney, Acting Director General, Non-Insured Health Benefits; Robert S. Lafleur, Senior Assistant Deputy Minister, Corporate Services Branch. *From the Office of the Auditor General of Canada:* Maria Barrados, Assistant Auditor General; Ronnie Campbell, Principal, Audit Operations Branch.

Pursuant to Standing Order 108(3)(e), the Committee proceeded to consider Chapter 15 (Health Canada - First Nations Health: Follow-up) of the October 2000 Report of the Auditor General of Canada.

Maria Barrados from the Office of the Auditor General made a statement.

Ian Potter from the Department of Health summarized his statement.

The witnesses answered questions.

At 5:30 p.m., the Committee adjourned until 3:30 p.m., Tuesday, April 24, 2001.

Santosh Sirpaul

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
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PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 11

Tuesday, April 24, 2001

ORDER OF THE DAY:

Study of the Main Estimates 2001-2002: Vote 20 under FINANCE (Office of the Auditor General of Canada) and Part III – Report on Plans and Priorities 2001-2002

WITNESSES:

Office of the Auditor General of Canada:

Sheila Fraser, Interim Auditor General of Canada;

Michael McLaughlin, Deputy Auditor General, Corporate Services.





Français

MINUTES OF PROCEEDINGS

Meeting No. 11

Tuesday, April 24, 2001

The Standing Committee on Public Accounts met at 3:42 p.m. this day, in Room 209, West Block, the Chair, John Williams, presiding.

Members of the Committee present: John Bryden, John Finlay, Philip Mayfield, Shawn Murphy, Gilles-A. Perron, Alex Shepherd and John Williams.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Research Officers.

Witnesses: From the Office of the Auditor General of Canada: Sheila Fraser, Interim Auditor General of Canada; Michael McLaughlin, Deputy Auditor General, Corporate Services.

The Committee proceeded to consider the Main Estimates 2001-2002: Vote 20 under FINANCE (Office of the Auditor General of Canada) referred to the Committee on Tuesday, February 27, 2001 and pursuant to Standing Order 81(4), Part III - Report on Plans and Priorities 2001-2002.

Pursuant to Standing Order 108(3)(e), the Committee also proceeded to consider the Performance Report of the Office of the Auditor General of Canada for the period ending March 31, 2000.

Sheila Fraser made a statement.

Michael McLaughlin made a statement.

The witnesses answered questions.

At 5:20 p.m., the Committee adjourned to the call of the Chair.

Santosh Sirpaul

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
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Chair: John Williams, CA

Meeting No. 12

Tuesday, May 1st, 2001

IN CAMERA





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MINUTES OF PROCEEDINGS

Meeting No. 12

Tuesday, May 1st, 2001

The Standing Committee on Public Accounts met *in camera* at 3:46 p.m. this day, in Room 209, West Block, the Chair, John Williams, presiding.

Members of the Committee present: John Bryden, John Finlay, Marlene Jennings, Philip Mayfield, Shawn Murphy, Alex Shepherd and John Williams.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Research Officers.

Witnesses: From the Office of the Auditor General of Canada: Maria Barrados, Assistant Auditor General; Kathryn Elliott, Principal, Audit Operations.

Pursuant to Standing Order 108(3)(e), a Briefing Session was held on Chapter 21, (Post Secondary Recruitment Program of the Federal Public Service) of the December 2000 Report of the Auditor General of Canada, and Chapter 9, (Streamlining the Human Resource Management Regime: A Study of Changing Roles and Responsibilities) of the April 2000 Report of the Auditor General of Canada.

At 5:25 p.m., the Committee adjourned to the call of the Chair.

Santosh Sirpaul

Clerk of the Committee

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HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 1st SESSION

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Chair: John Williams, CA

Meeting No. 13

Thursday, May 3, 2001

ORDER OF THE DAY:

Study of Chapter 21, (Post Secondary Recruitment Program of the Federal Public Service) of the December 2000 Report of the Auditor General of Canada and Chapter 9, (Streamlining the Human Resource Management Regime: A Study of Changing Roles and Responsibilities) of the April 2000 Report of the Auditor General of Canada

WITNESSES:

Office of the Auditor General of Canada:

Maria Barrados, Assistant Auditor General;
Kathryn Elliott, Principal, Audit Operations;
Sheila Fraser, Interim Auditor General.

Public Service Commission of Canada:

Arnelita A. Armit, Vice-President, Staffing and Recruitment Programs Branch;
Michael Nelson, Vice-President, Corporate Services;
Douglas Rimmer, Vice-president, Policy Research and Communications Branch;
Scott Serson, President.





MINUTES OF PROCEEDINGS

Meeting No. 13

Thursday, May 3, 2001

The Standing Committee on Public Accounts met at 3:44 p.m. this day, in Room 209, West Block, the Chair, John Williams, presiding.

Members of the Committee present: Odina Desrochers, John Finlay, Shawn Murphy, Brian Pallister, Alex Shepherd and John Williams.

Acting Members present: Ovid Jackson for Mac Harb; Deborah Grey for Philip Mayfield.

Associate Members present: Deborah Grey.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Research Officers.

Witnesses: From the Office of the Auditor General of Canada: Sheila Fraser, Interim Auditor General of Canada; Maria Barrados, Assistant Auditor General; Kathryn Elliott, Principal, Audit Operations. *From the Public Service Commission of Canada:* Scott Serson, President; Amelita A. Armit, Vice-President, Staffing and Recruitment Programs Branch; Douglas Rimmer, Vice-President, Policy Research and Communications Branch; Michael Nelson, Vice-President, Corporate Management Branch.

Pursuant to Standing Order 108(3)(e), the Committee resumed consideration of Chapter 21, (Post Secondary Recruitment Program of the Federal Public Service) of the December 2000 Report of the Auditor General of Canada and Chapter 9, (Streamlining the Human Resource Management Regime: A Study of Changing Roles and Responsibilities) of the April 2000 Report of the Auditor General of Canada. (See Minutes of Proceedings of Tuesday, May 1st, 2001, Meeting No. 12)

Sheila Fraser from the Office of the Auditor General of Canada made a statement.

Scott Serson from the Public Service Commission of Canada made a statement.

The witnesses answered questions.

At 5:25 p.m., the Committee adjourned until 3:30 p.m., Tuesday, May 8, 2001.

Santosh Sirpaul

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 14

Tuesday, May 8, 2001

ORDER OF THE DAY:

Future business



MINUTES OF PROCEEDINGS

Meeting No. 14

Tuesday, May 8, 2001

The Standing Committee on Public Accounts met at 3:35 p.m. this day, in Room 209, West Block, the Chair, John Williams, presiding.

Members of the Committee present: Robert Bertrand, John Bryden, Gerry Byrne, Odina Desrochers, John Finlay, Carlene Jennings, Sophia Leung, Philip Mayfield, Shawn Murphy, Joe Peschisolido, Alex Shepherd and John Williams.

Attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Piquis, Research Officers.

The Chairman presented the Second Report of the Sub-Committee on Agenda and Procedure, which is as follows:

The Sub-Committee met on Thursday, April 26, 2001 to consider the future business of the Committee and has decided to make the following recommendations:

That meetings be scheduled to consider the following Chapters from the April, October and December 2000 Reports of the Auditor General of Canada:

1) Chapter 21, (Post-Secondary Recruitment Program of the Federal Public Service) of the December 2000 Report.

Chapter 9, (Streamlining the Human Resource Management Regime: A Study of Changing Roles and Responsibilities) of the April 2000 Report.

2) Chapter 18, (Governance of Crown Corporations) of the December 2000 Report.

3) Chapter 24, (Federal Health and Safety Regulatory Programs) of the December 2000 Report.

Chapter 25, (Canadian Food Inspection Agency - Food Inspection Programs) of the December 2000 Report.

4) Chapter 26, (Health Canada - Regulatory Regime of Biologics) of the December 2000 Report.

Chapter 27, (Canadian Nuclear Safety Commission - Power Reactor Regulation) of the December 2000 Report.

5) Chapter 33, Follow-up of Recommendations in Previous Reports (Grants and Contributions: Selected Programs in Department of Canadian Heritage - 1998, Chapter 27) of the December 2000 Report.

6) Chapter 34, (Audit Observation: Canada Customs and Revenue Agency and Human Resources Development Canada) of the December 2000 Report.

- That two meetings be held on Chapter 15, (Health Canada – First Nations Health: Follow-up) of the October 2000 Report.

It was agreed, - That the SECOND REPORT of the Sub-Committee on Agenda and Procedure be concurred in.

2. It was agreed, - That the Standing Committee on Public Accounts establish a Sub-Committee to explore issues related to the impact of corruption on the efficient delivery of public services, to consider the role of Parliament in combating corruption, and to support current efforts to create regional and global organizations of parliamentarians engaged in the fight against corruption;

- That the Sub-Committee be Chaired by John Williams and that it be composed of ten (10) members including five (5) members from the Government and five (5) members from the Opposition to be appointed by the Chair after the usual consultations;

- That the Chair of the Sub-Committee be authorized to hold meetings to receive evidence in the absence of a quorum, provided that three (3) members are present;

- That the Sub-Committee be delegated all of the powers of the Standing Committee, except the power to report to the House;

- That the Sub-Committee be authorized to reimburse the travelling expenses of the witnesses which will be charged to the budget of the Standing Committee;

- That the Sub-Committee be authorized to seek the authority and the necessary funds to travel, if deemed appropriate.

3. The Committee resumed consideration of the Main Estimates 2001-2002, Vote 20 under FINANCE (Office of the Auditor General of Canada) referred to the Committee on Tuesday, February 27, 2001 and Part III - Report on Plans and Priorities relating to 2001-2002. (See Minutes of Proceedings of Tuesday, April 24, 2001, Meeting No. 11)

The question being put on Vote 20, it was carried.

It was ordered, - That the Chair report Vote 20 under FINANCE as the THIRD REPORT to the House.

4. On motion of Marlene Jennings, it was agreed, - That the Chair of the Committee be authorized to seek the authority and the necessary funds to permit up to seven (7) members of the Standing Committee on Public Accounts and three (3) staff persons of the Committee to travel to Regina, Saskatchewan, to attend the Twenty-Second Annual Conference of the Canadian Council of Public Accounts Committees from September 16, to 18, 2001, and that the members attending the Conference utilize their air travel points to travel to the Conference.

5. On motion of Sophia Leung, it was agreed, - That the travel budget in the amount of \$ 22,385 to attend the Twenty-Second Annual Conference of the Canadian Council of Public Accounts Committees from September 15, to 19, 2001 in Regina, Saskatchewan be adopted.

At 3:52 p.m., the Committee proceeded to sit *in camera*.

6. Pursuant to Standing Order 108(3)(e), the Committee proceeded to consider the Draft Report on the Public

ccounts of Canada 1999-2000.

was agreed, - That the Committee adopt the Draft Report, as amended, as the Fourth Report of the Committee.

was agreed, - That pursuant to Standing Order 109, the Committee request that the Government provide a comprehensive response to this report.

was agreed, - That the Chair be authorized to make such grammatical and editorial changes to the Report as may be necessary without changing the substance of the Report.

was agreed, - That the Chair table the Fourth Report to the House.

Pursuant to Standing Order 108(3)(e), the Committee proceeded to consider the Draft Report on Chapter 11 (Human Resources Development Canada - Grants and Contributions) of the October 2000 Report of the Auditor General of Canada.

was agreed, - That the Committee adopt the Draft Report, as amended, as the Fifth Report of the Committee.

was agreed, - That pursuant to Standing Order 109, the Committee request that the Government provide a comprehensive response to this report.

was agreed, - That the Chair be authorized to make such grammatical and editorial changes to the Report as may be necessary without changing the substance of the Report.

was agreed, - That the Chair table the Fifth Report to the House.

Pursuant to Standing Order 108(3)(e), the Committee proceeded to consider the Draft Report on Chapter 14 (Canadian International Development Agency - Managing Contracts and Contribution Agreements) of the October 2000 Report of the Auditor General of Canada.

was agreed, - That the Committee adopt the Draft Report, as amended, as the Sixth Report of the Committee.

was agreed, - That pursuant to Standing Order 109, the Committee request that the Government provide a comprehensive response to this report.

was agreed, - That the Chair be authorized to make such grammatical and editorial changes to the Report as may be necessary without changing the substance of the Report.

was agreed, - That the Chair table the Sixth Report to the House.

At 4:30 p.m., the Committee until 3:30 p.m., Thursday, May 10, 2001.

Santosh Sirpaul

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 15

Thursday, May 10, 2001

IN CAMERA



MINUTES OF PROCEEDINGS

Meeting No. 15

Thursday, May 10, 2001

The Standing Committee on Public Accounts met *in camera* at 3:45 p.m. this day, in Room 307, West Block, the Parliament Buildings, Ottawa, Ontario, Canada, John Williams, presiding.

Members of the Committee present: John Bryden, Odina Desrochers, John Finlay, Marlene Jennings and John Williams.

Attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean-Pierre Gauthier, Research Officers.

Pursuant to Standing Order 108(3)(e), the Committee proceeded to consider the Draft Report on the Evaluation of the Policy on Internal Audit of the Government of Canada.

At 4:05 p.m., the Committee adjourned until 3:30 p.m., Tuesday, May 15, 2001.

Santosh Sirpaul

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 16

Tuesday, May 15, 2001

ORDER OF THE DAY:

Study of Chapter 9 (Streamlining the Human Resource Management Regime: A Study of Changing Roles and Responsibilities) of the April 2000 Report of the Auditor General of Canada

WITNESSES:

Office of the Auditor General of Canada:

Sheila Fraser, Interim Auditor General of Canada.

Treasury Board of Canada Secretariat:

Frank Claydon, Secretary of the Treasury Board and Comptroller General of Canada;

Marcel Nouvet, Chief Human Resources Officer;

Carole Swan, Associate Secretary of the Treasury Board.



MINUTES OF PROCEEDINGS

Meeting No. 16

Tuesday, May 15, 2001

The Standing Committee on Public Accounts met at 3:44 p.m. this day, in Room 371, West Block, the Chair, John Williams, presiding.

Members of the Committee present: John Bryden, Odina Desrochers, John Finlay, Mac Harb, Marlene Jennings, Sophia Leung, Shawn Murphy, Joe Peschisolido, Alex Shepherd and John Williams.

Attendance: From the Parliamentary Research Branch of the Library of Parliament: Jean Dupuis, Research Officer.

Witnesses: From the Office of the Auditor General of Canada: Sheila Fraser, Interim Auditor General of Canada; Maria Barrados, Assistant Auditor General; Kathryn Elliott, Principal, Audit Operations. *From the Treasury Board of Canada - Secretariat:* Frank Claydon, Secretary of the Treasury Board and Comptroller General of Canada; Carole Swan, Associate Secretary of the Treasury Board; Marcel Nouvet, Chief Human Resources Officer.

Pursuant to Standing Order 108(3)(e), the Committee resumed consideration of Chapter 9, (Streamlining the Human Resource Management Regime: A Study of Changing Roles and Responsibilities) of the April 2000 Report of the Auditor General of Canada. (See Minutes of Proceedings of Tuesday, May 1, 2001, Meeting No. 12)

Sheila Fraser from the Office of the Auditor General of Canada made a statement.

Frank Claydon from Treasury Board Secretariat made a statement.

Sheila Fraser, Frank Claydon, Marcel Nouvet and Carole Swan answered questions.

At 5:25 p.m., the Committee adjourned until 3:30 p.m. Thursday, May 17, 2001.

Santosh Sirpaul

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 17

Thursday, May 17, 2001

ORDER OF THE DAY:

Study of Chapter 9, (Streamlining the Human Resource Management Regime: A Study of Changing Roles and Responsibilities) of the April 2000 Report of the Auditor General of Canada

WITNESSES:

Office of the Auditor General of Canada:

Sheila Fraser, Interim Auditor General of Canada.

Privy Council Office:

Mel Cappe, Clerk of the Privy Council and Secretary to the Cabinet;

Ranald Quail, Deputy Minister and Head of the Human Resources Modernization Task Force.





Français

MINUTES OF PROCEEDINGS

Meeting No. 17

Thursday, May 17, 2001

The Standing Committee on Public Accounts met at 3:37 p.m. this day, in Room 308, West Block, the Chair, John Williams, presiding.

Members of the Committee present: John Bryden, John Finlay, Marlene Jennings, Sophia Leung, Shawn Murphy, Alex Shepherd and John Williams.

Acting Members present: Serge Cardin for Odina Desrochers.

Associate Member present: Serge Cardin.

In attendance: From the Library of Parliament: Brian O'Neal and Jean Dupuis, Research Officers.

Witnesses: From the Office of the Auditor General of Canada: Sheila Fraser, Interim Auditor General of Canada; Maria Barrados, Assistant Auditor General; Kathryn Elliott, Principal, Audit Operations. *From the Privy Council Office:* Mel Cappe, Clerk of the Privy Council and Secretary to the Cabinet; Ranald Quail, Deputy Minister and Head of Human Resources Modernization Task Force.

Pursuant to Standing Order 108(3)(e), the Committee resumed consideration of Chapter 9, (Streamlining the Human Resource Management Regime: A Study of Changing Roles and Responsibilities) of the April 2000 Report of the Auditor General of Canada. (See Minutes of Proceedings of Tuesday, May 1, 2001, Meeting No. 12)

Sheila Fraser from the Office of the Auditor General of Canada made a statement.

Mel Cappe from the Privy Council made a statement.

It was unanimously agreed, - That the statement submitted by Mel Cappe, Clerk of the Privy Council and Secretary to the Cabinet be printed as an appendix to this day's Minutes of Proceedings and Evidence. (See appendix "PACC-2")

Sheila Fraser, Mel Cappe and Ranald Quail answered questions.

At 5:16 p.m., the Committee adjourned to the call of the Chair.

Santosh Sirpaul

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 18

Tuesday, May 29, 2001

IN CAMERA







MINUTES OF PROCEEDINGS

Meeting No. 18

Tuesday, May 29, 2001

The Standing Committee on Public Accounts met *in camera* at 3:32 p.m. this day, in Room 209, West Block, the Vice-Chair, Mac Harb, presiding.

Members of the Committee present: Robert Bertrand, John Bryden, Odina Desrochers, John Finlay, Mac Harb, Sophia Leung, Philip Mayfield, Shawn Murphy, Joe Peschisolido and Alex Shepherd.

Attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal, Research Officer.

Pursuant to Standing Order 108(3)(e), the Committee resumed consideration of the Annual Performance Report of the Office of the Auditor General of Canada for the period ending March 31, 2000 and Part III - Report on Plans and Priorities 2001-2002. (See Minutes of Proceedings of Tuesday, April 24, 2001, Meeting No. 11)

was agreed, - That the Committee adopt the Draft Report as the Eight Report of the Committee.

was agreed, - That pursuant to Standing Order 109, the Committee request that the Government provide a comprehensive response to this Report.

was agreed, - That the Chair be authorized to make such grammatical and editorial changes to the Report as may be necessary without changing the substance of the Report.

was agreed, - That the Chair Table the EIGHTH Report to the House.

By consent, pursuant to Standing Order 108(3)(e), the Committee resumed consideration of a Draft Report on the Evaluation Policy and the Policy on Internal Audit of the Government of Canada. (See Minutes of Proceedings of Tuesday, March 27, 2001, Meeting No. 8)

was agreed, - That the Committee adopt the Report as the Seventh Report of the Committee.

was agreed, - That pursuant to Standing Order 109, the Committee request that the Government provide a comprehensive response to this Report.

was agreed, - That the Chair be authorized to make such grammatical and editorial changes to the Report as may be necessary without changing the substance of the Report.

was agreed, - That the Chair Table the Seventh Report to the House.

At 4:16 p.m., the Committee adjourned until 3:30 p.m., Thursday, May 31, 2001.

Santosh Sirpaul

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 19

Thursday, May 31, 2001

ORDER OF THE DAY:

Study of Chapter 26 (Health Canada-Regulatory Regime of Biologics) of the December 2000 Report of the Auditor General of Canada; and the Chapter 27 (Canadian Nuclear Safety Commission – Power Reactor Regulation) of the December 2000 Report of the Auditor General of Canada

WITNESSES:

Canadian Nuclear Safety Commission:

Susan Clyne, Director, Human Resources Division;

Linda J. Keen, President and Chief Executive Officer;

Mike Taylor, Executive Director, Office of Regulatory Affairs.

Health Canada:

Jean Peart, Senior Adviser, Quality Systems–Biologics and Genetic Therapies Directorate, Health Products and Food Branch;

Robert Peterson, Director General, Therapeutic Products Directorate and Acting Director General, Biologics and Genetic Therapies Directorate, Health Products and Foods Branch.

Office of the Auditor General of Canada:

Sheila Fraser, Interim Auditor General of Canada.





MINUTES OF PROCEEDINGS

Meeting No. 19

Thursday, May 31, 2001

The Standing Committee on Public Accounts met at 3:35 p.m. this day, in Room 209, West Block, the Vice-Chair, Marlene Jennings, presiding.

Members of the Committee present: Odina Desrochers, John Finlay, Mac Harb, Marlene Jennings, Philip Mayfield and Alex Shepherd.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Research Officers.

Witnesses: From the Department of Health: Robert Peterson, Director General, Therapeutics Products Directorate and A/Director General, Biologics and Genetic Therapies Directorate, Health Products and Food Branch; Jean Peart, Senior Advisor, Quality Systems - Biologics and Genetic Therapies Directorate, Health Products and Food Branch. From the Canadian Nuclear Safety Commission: Linda J. Keen, President and Chief Executive Officer; Mike Taylor, Executive Director, Office of Regulatory Affairs; Susan Clyne, Director, Human Resources Division. From the Office of the Auditor General of Canada: Sheila Fraser, Auditor General of Canada; Crystal Pace, Principal, Audit Operations Branch; Ronnie Campbell, Principal, Audit Operations Branch.

Pursuant to Standing Order 108(3)(e), the Committee proceeded to consider Chapter 26, (Health Canada - Regulatory Regime of Biologics) of the December 2000 Report of the Auditor General of Canada; and Chapter 27, (Canadian Nuclear Safety Commission - Power Reactor Regulation) of the December 2000 Report of the Auditor General of Canada.

Sheila Fraser from the Office of the Auditor General of Canada made a statement.

Robert Peterson from the Department of Health made a statement.

Linda J. Keen from the Canadian Nuclear Safety Commission made a statement.

Linda J. Keen, Mike Taylor, Susan Clyne, Robert Peterson and Jean Peart answered questions.

At 5:16 p.m., the Committee adjourned until 9:30 a.m. Tuesday, June 5, 2001.

Santosh Sirpaul

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 20

Tuesday, June 5, 2001

ORDER OF THE DAY:

Study of Chapter 15, (Health Canada-First Nations Health: Follow-up) of the October 2000 Report of the Auditor General of Canada

WITNESSES:

Health Canada:

Peter Cooney, Acting Director General, Non-Insured Health Benefits;

Harry Hodes, Assistant Regional Director, Alberta/Northwest Territories, First Nations and Inuit Health Branch;

Ian Potter, Assistant Deputy Minister, First Nations and Inuit Health Branch.

Office of the Auditor General of Canada:

Ronnie Campbell, Principal, Audit Operations Branch.

As Individual:

Lorraine Stonechild.





MINUTES OF PROCEEDINGS

Meeting No. 20

Tuesday, June 5, 2001

The Standing Committee on Public Accounts met in a televised session at 9:39 a.m. this day, in Room 237-C, Centre Block, the Chair, John Williams, presiding.

Members of the Committee present: Robert Bertrand, John Bryden, John Finlay, Mac Harb, Philip Mayfield and John Williams.

Acting Member present: Betty Hinton for Joe Peschisolido.

Associate Member present: Betty Hinton.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Research Officers.

Witnesses: As Individual: B. Lorraine Stonechild, from Saskatoon, Saskatchewan. *From the Department of Health:* Ian Potter, Assistant Deputy Minister, First Nations and Inuit Health Branch; Peter Cooney, Acting Director General, Non-Insured Health Benefits; Harry Hodes, Assistant Regional Director, Alberta / Northwest Territories, First Nations and Inuit Health Branch. *From the Office of the Auditor General of Canada:* Ronnie Campbell, Principal, Audit Operations Branch; Glenn Wheeler, Director, Audit Operations.

Pursuant to Standing Order 108(3)(e), the Committee resumed consideration of Chapter 15 (Health Canada - First Nations Health: Follow-up) of the October 2000 Report of the Auditor General of Canada. (See Minutes of Proceedings of Thursday, April 5, 2001, Meeting No. 10)

Ronnie Campbell from the Office of the Auditor General of Canada made a statement.

Ian Potter from the Department of Health made a statement.

B. Lorraine Stonechild made a statement.

B. Lorraine Stonechild, Ian Potter, Peter Cooney, Ronnie Campbell and Harry Hodes answered questions.

At 11:07 a.m., the sitting was suspended.

At 11:44 a.m., the sitting resumed.

Questioning continued.

At 12:15 p.m., the Committee adjourned until 3:30 p.m. later this day.

Santosh Sirpaul

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 21

Tuesday, June 5, 2001

ORDER OF THE DAY:

Study of Chapter 15, (Health Canada—First Nations Health: Follow-up) of the October 2000 Report of the Auditor General of Canada

WITNESSES:

College of Physicians and Surgeons of Saskatchewan:

Dennis Kendall, Doctor and Registrar.

Health Canada:

Peter Cooney, Acting Director General, Non-Insured Health Benefits.

Office of the Auditor General of Canada:

Ronnie Campbell, Principal, Audit Operations Branch.

Saskatchewan Pharmaceutical Association:

Ray Joubert, Registrar (Regina, Saskatchewan).





MINUTES OF PROCEEDINGS

Meeting No. 21

Tuesday, June 5, 2001

The Standing Committee on Public Accounts met in a Videoteleconference session at 3:37 p.m. this day, in Room 701, La Promenade Building, the Chair, John Williams, presiding.

Members of the Committee present: John Bryden, Odina Desrochers, John Finlay, Mac Harb, Philip Mayfield, Shawn Murphy, Alex Shepherd and John Williams.

In attendance: From Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Research Officers.

Witnesses: From the College of Physicians and Surgeons of Saskatchewan: Dennis Kendall, Registrar, Saskatoon, Saskatchewan. *From the Saskatchewan Pharmaceutical Association:* Ray Joubert, Registrar, Regina, Saskatchewan. *From the Department of Health:* Peter Cooney, Acting Director General, Non-Insured Health Benefits; Harry Hodes, Assistant Regional Director, Alberta / Northwest Territories, First Nations and Inuit Health Branch; Jerome Berthelette, Special Advisor on Aboriginal Health, First Nations and Inuit Health Branch. *From the Office of the Auditor General of Canada:* Ronnie Campbell, Principal, Audit Operations Branch; Glenn Wheeler, Director, Audit Operations.

Pursuant to Standing Order 108(3)(e), the Committee resumed consideration of Chapter 15 (Health Canada - First Nations Health: Follow-up) of the October 2000 Report of the Auditor General of Canada. (See Minutes of Proceedings of Thursday, April 5, 2001, Meeting No. 10)

Ronnie Campbell from the Office of the Auditor General of Canada made a statement.

Peter Cooney from the Department of Health made a statement.

Dennis Kendall from the College of Physicians and Surgeons of Saskatchewan made a statement.

Ray Joubert from the Saskatchewan Pharmaceutical Association made a statement.

Dennis Kendall, Ray Joubert, Peter Cooney and Ronnie Campbell answered questions.

At 5:00 p.m., the Committee adjourned to the call of the Chair.

Santosh Sirpaul

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 22

Tuesday, June 12, 2001

ORDER OF THE DAY:

Study of Chapter 34 (Audit Observation: Canada Customs and Revenue Agency and Human Resources Development Canada) of the December 2000 Report of the Auditor General of Canada

WITNESSES:

Canada Customs and Revenue Agency:

Harvey Beaulac, Deputy Commissioner, Appeals Directorate;

Guy Proulx, Director General, Revenue Collections Directorate, Assessment and Collections Branch.

Human Resources Development Canada:

André Hurtubise, Acting Director General, Investigation and Control;

John McWhinnie, Assistant Deputy Minister, Insurance.

Office of the Auditor General of Canada:

Sheila Fraser, Auditor General of Canada;

Neil Papineau, Director, Audit Operations.





MINUTES OF PROCEEDINGS

Meeting No. 22

Tuesday, June 12, 2001

The Standing Committee on Public Accounts met at 3:35 p.m. this day, in Room 209, West Block, the Chair, John Williams, presiding.

Members of the Committee present: John Bryden, Odina Desrochers, John Finlay, Mac Harb, Marlene Jennings, Sophia Leung, Shawn Murphy, Joe Peschisolido, Alex Shepherd and John Williams.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Research Officers.

Witnesses: From the Canada Customs and Revenue Agency: Guy Proulx, Director General, Revenue Collections Directorate, Assessment and Collections Branch; Harvey Beaulac, Assistant Commissioner, Appeals Branch. *From the Department of Human Resources Development:* John McWhinnie, Assistant Deputy Minister, Insurance; Gordon McFee, Director, Policy and Legislation Development; André Hurtubise, Acting Director General, Investigation and Control. *From the Office of the Auditor General of Canada:* Sheila Fraser, Auditor General of Canada; Jean Ste-Marie, Assistant Auditor General; Neil Papineau, Director, Audit Operations.

Pursuant to Standing Order 108(3)(e), the Committee proceeded to consider Chapter 34 (Audit Observation: Canada Customs and Revenue Agency and Human Resources Development Canada) of the December 2000 Report of the Auditor General of Canada.

Sheila Fraser from the Office of the Auditor General of Canada made a statement.

Guy Proulx from the Canada Customs and Revenue Agency made a statement.

John McWhinnie from the Department of Human Resources Development made a statement.

Sheila Fraser, Guy Proulx, John McWhinnie, Harvey Beaulac, Neil Papineau and André Hurtubise answered questions.

At 5:29 p.m., the Committee adjourned to the call of the Chair.

Santosh Sirpaul

Clerk of the Committee

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HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 23

Thursday, September 27, 2001

ORDER OF THE DAY:

Briefing session on the public accounts of Canada 2001

WITNESSES:

Office of the Auditor General of Canada:

Sheila Fraser, Auditor General of Canada.

Treasury Board of Canada Secretariat:

Richard J. Neville, Deputy Comptroller General.





Français

MINUTES OF PROCEEDINGS

Meeting No. 23

Thursday, September 27, 2001

The Standing Committee on Public Accounts met in a televised session at 3:31 p.m. this day, in Room 237-C, Centre Block.

Members of the Committee present: John Bryden, Odina Desrochers, John Finlay, Mac Harb, Marlene Jennings, Sophia Leung, Pat Martin, Philip Mayfield, Shawn Murphy and John Williams.

Acting Members present: Lynn Myers for Robert Bertrand; Beth Phinney for Gerry Byrne; Dennis Mills for Sophia Leung; Monique Guay for Gilles-A. Perron.

From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Research Officers.

Witnesses: From the Office of the Auditor General of Canada: Sheila Fraser, Auditor General of Canada; John Wiersema, Assistant Auditor General, Audit Operations Branch. *From the Treasury Board of Canada Secretariat:* Richard J. Neville, Deputy Comptroller General; John Morgan, Executive Director, Financial Management and Accounting Policy Directorate.

Pursuant to Standing Order 108(3)(e), a Briefing Session was held on the Public Accounts of Canada 2001.

Sheila Fraser from the Office of the Auditor General of Canada made a statement.

Richard J. Neville from the Treasury Board Secretariat of Canada made a statement.

At 4:04 p.m., the Committee adjourned to the call of the Chair.

Santosh Sirpaul

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 24

Wednesday, October 3, 2001

ORDER OF THE DAY:

Election of a Chair and Vice-Chairs



**MINUTES OF PROCEEDINGS**

Meeting No. 24

Wednesday, October 3, 2001

The Standing Committee on Public Accounts met at 3:31 p.m. this day, in Room 208, West Block for the purpose of electing a Chair and Vice-Chairs pursuant to Standing Order 106 (1) and (2).

Members of the Committee present: Robert Bertrand, Gerry Byrne, Odina Desrochers, John Finlay, Sophia Leung, Pat Martin, Philip Mayfield, Shawn Murphy, Beth Phinney, Alex Shepherd and John Williams.

Acting Members present: Raymond Bonin for Mac Harb.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: ; Brian O'Neal and Jean Dupuis, Research Officers.

The Clerk of the Committee presided over the election of the Chair.

On motion of Philip Mayfield, seconded by Odina Desrochers, it was agreed, - That John Williams do take the Chair of this Committee as Chairman.

Accordingly, John Williams took the Chair.

On motion of Robert Bertrand, seconded by Beth Phinney, it was agreed, - That Mac Harb be elected Vice-Chair of the Committee *in absentia*.

On motion of Raymond Bonin, seconded by Alex Shepherd, it was agreed, - That Beth Phinney be elected Vice-Chair of this Committee.

The Committee proceeded to consider its future business.

On motion of Philip Mayfield, seconded by Odina Desrochers, it was agreed, - That John Williams be Chair of the Sub-Committee on Combating Corruption established pursuant to Standing Order 108(1) and (2) by an Order of the Committee of Tuesday, May 8, 2001 and that the membership of the Sub-Committee, be composed of Ten (10) members or associate members of which Five (5) shall be government members and Five (5) shall be opposition members, to be struck following the usual consultations with the Whips and filed with the Clerk.

The Chair presented the THIRD REPORT of the Sub-Committee on Agenda and Procedure, which is as follows:

The Sub-Committee met on Tuesday, September 25, 2001 and agreed to make the following recommendations:

- That a Tentative Schedule of meetings be adopted for the months of October and November 2001.

1. That the following Chapters from the 2000 Reports of the Auditor General of Canada be considered:

Chapter 10: Transport Canada – Airport Transfers: National Airports System.

Chapter 18: Governance of Crown Corporations;

Chapter 19: Reporting Performance to Parliament : Progress Too Slow; and

Chapter 20: Managing Departments for Results and Managing Horizontal Issues.

Chapter 24: Federal Health and Safety Regulatory Programs;

Chapter 25: Canadian Food Inspection Agency – Food Inspection Programs.

Chapter 31: Fisheries and Oceans — Fleet Management.

2. Final Report of the Advisory Committee on Labour Management Relations in the Federal Public Service, Working Together in the Public Interest (Fryer Report).

3. Public Accounts of Canada, 2001.

4. Performance Report of the Office of the Auditor General of Canada for the period ending 31 March 2001.

5. Consideration of Draft Reports to the House.

6. That a Televised Briefing Session on the Public Accounts of Canada 2001 be held at 3:30 p.m. on Thursday, September 27, 2001 provided that a quorum be present.

On motion of Philip Mayfield, it was agreed, - That the THIRD REPORT of the Sub-Committee on Agenda and Procedure be concurred in.

On motion of Odina Desrochers, it was agreed, - That the Committee meet on Thursday, October 4, 2001 at 3:30 p.m. to consider Chapter 18 (Governance of Crown Corporations) of the December 2000 Report of the Auditor General of Canada.

At 3:45 p.m., the Committee adjourned until 3:30 p.m., Thursday, October 4, 2001.

Santosh Sirpaul

Clerk of the Committee

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HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 25

Thursday, October 4, 2001

ORDER OF THE DAY:

Study of Chapter 18 (Governance of Crown Corporations) of the December 2000 Report of the Auditor General of Canada

WITNESSES:

Office of the Auditor General of Canada:

Sheila Fraser, Auditor General of Canada;

Helen Hardy, Director, Crown Corporations, Policy and Information Division;

Rona Shaffran, Director, Audit Operations;

John Wiersema, Assistant Auditor General, Audit Operations Branch.

Privy Council Office:

Ronald Bilodeau, Associate Secretary to the Cabinet and Deputy Clerk.

Treasury Board of Canada Secretariat:

Ralph Heintzman, Assistant Secretary, Service and Innovation Sector.





MINUTES OF PROCEEDINGS

Meeting No. 25

Thursday, October 4, 2001

The Standing Committee on Public Accounts met at 3:32 p.m. this day, in Room 308, West Block, the Chair, John Williams, presiding.

Members of the Committee present: Odina Desrochers, Mac Harb, Pat Martin, Philip Mayfield, Shawn Murphy, Beth Phinney, Alex Shepherd and John Williams.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Research Officers.

Witnesses: From the Office of the Auditor General of Canada: Sheila Fraser, Auditor General of Canada; John Wiersema, Assistant Auditor General, Audit Operations Branch; Rona Shaffran, Director, Audit Operations. *From the Privy Council Office:* Ronald Bilodeau, Associate Secretary to the Cabinet and Deputy Clerk of the Privy Council. *From the Treasury Board Secretariat:* Ralph Heintzman, Assistant Secretary, Service and Innovation Sector; Helen Hardy, Director, Crown Corporation Policy and Information Division.

Pursuant to Standing Order 108(3)(e), the Committee proceeded to consider Chapter 18 (Governance of Crown Corporations) of the December 2000 Report of the Auditor General of Canada.

Sheila Fraser from the Office of the Auditor General of Canada made a statement.

Ronald Bilodeau from the Privy Council Office made a statement.

Ralph Heintzman from the Treasury Board Secretariat made a statement.

The witnesses answered questions.

At 5:24 p.m., the Committee adjourned until 3:30 p.m. Tuesday, October 16, 2001.

Santosh Sirpaul

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 26

Tuesday, October 16, 2001

ORDER OF THE DAY:

Study of Chapter 19 (Reporting Performance to Parliament: Progress Too Slow) of the December 2000 Report of the Auditor General of Canada and Chapter 20 (Managing Departments for Results and Managing Horizontal Issues for Results) of the December 2000 Report of the Auditor General of Canada

WITNESSES:

Office of the Auditor General of Canada:

Maria Barrados, Assistant Auditor General;

John Mayne, Principal, Audit Operations Branch.

Treasury Board of Canada Secretariat:

Lee McCormack, Executive Director, Results Management and Reporting;

Roberta Santi, Associate Deputy Comptroller General;

Judi Watling, Senior Director, Results-based Management.



MINUTES OF PROCEEDINGS

Meeting No. 26

Tuesday, October 16, 2001

The Standing Committee on Public Accounts met at 3:34 p.m. this day, in Room 209, West Block, the Acting Chair, Robert Bertrand, presiding.

Members of the Committee present: Robert Bertrand, John Bryden, John Finlay, Sophia Leung and Alex Shepherd.

Invited Member present: Ken Epp for Rahim Jaffer.

Associate Member present: Ken Epp.

Attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Phipps, Research Officers.

Witnesses: From the Office of the Auditor General of Canada: Maria Barrados, Assistant Auditor General; John Hayne, Principal, Audit Operations Branch. From the Treasury Board Secretariat: Roberta Santi, Associate Deputy Comptroller General; Lee McCormack, Executive Director, Results Management and Reporting; Judy Watling, Senior Director, Results-based Management.

The Committee proceeded to consider Chapter 19 (Reporting Performance to Parliament: Progress Too Slow) of the December 2000 Report of the Auditor General of Canada and Chapter 20 (Managing Departments for Results and Managing Horizontal Issues for Results) of the December 2000 Report of the Auditor General of Canada.

Maria Barrados from the Office of the Auditor General of Canada made a statement.

Roberta Santi from the Treasury Board Secretariat made a statement.

The witnesses answered questions.

At 5:06 p.m., the Committee adjourned until 3:30 p.m. Thursday, October 18, 2001.

Santosh Sirpaul

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 27

Tuesday, October 23, 2001

ORDER OF THE DAY:

Study of Chapter 31 (Fisheries and Oceans - Fleet Management) of the December 2000 Report of the Auditor General of Canada

WITNESSES:

Fisheries and Oceans Canada:

John Adams, Commissioner, Canadian Coast Guard;

Charles Gadula, Director General, Fleet Directorate.

Office of the Auditor General of Canada:

Michael J. McLaughlin, Deputy Auditor General, Corporate Services.



MINUTES OF PROCEEDINGS

Meeting No. 27

Tuesday, October 23, 2001

The Standing Committee on Public Accounts met at 3:34 p.m. this day, in Room 308, West Block, the Chair, John Williams, presiding.

Members of the Committee present, John Finlay, Mac Harb, Sophia Leung, Pat Martin, Shawn Murphy, Alex Shepherd and John Williams.

Acting Members present: Diane St-Jacques for John Bryden; Richard Marceau for Odina Desrochers; Jason Kenney for Rahim Jaffer; Andy Savoy for Shawn Murphy; John McCallum for Beth Phinney.

Associate Member present: Jason Kenney.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Research Officers.

Witnesses: From the Office of the Auditor General of Canada: Michael McLaughlin, Deputy Auditor General, Corporate Services; John O'Brien, Principal, Audit Operations Branch; Kevin Potter, Director, Audit Operations Branch. *From the Department of Fisheries and Oceans*: John Adams, Commissioner; Charles Gadula, Director General, Fleet; Bill Doering, Executive Director, Fleet Management Renewal Initiative.

Pursuant to Standing Order 108(3)(e), the Committee proceeded to consider Chapter 31 (Fisheries and Oceans - Fleet Management) of the December 2000 Report of the Auditor General of Canada.

Michael McLaughlin from the Office of the Auditor General of Canada made a statement.

John Adams from the Department of Fisheries and Oceans made a statement.

Michael McLaughlin, John Adams and John O'Brien answered questions.

At 4:38 p.m., the sitting was suspended.

At 4:45 p.m., the Committee proceeded to sit In Camera.

Pursuant to Standing Order 108(3)(e), the Committee proceeded to consider the Draft Report on Chapter 34 (Audit Observation: Canada Customs and Revenue Agency and Human Resources Development Canada) of the December 2000 Report of the Auditor General of Canada.

It was agreed, - That the Committee adopt the Draft Report, as amended, as the NINTH REPORT of the Committee.

It was agreed, - That pursuant to Standing Order 109, the Committee request that the Government provide a comprehensive response to this Report.

It was agreed, - That the Chair be authorized to make such grammatical and editorial changes to the Report as may be necessary without changing the substance of the Report.

It was agreed, - That the Chair Table the NINTH REPORT to the House.

Pursuant to Standing Order 108(3)(e), the Committee proceeded to consider the Draft Report on Chapter 15 (Health Canada - First Nations Health: Follow-up) of the October 2000 Report of the Auditor General of Canada.

At 5:20 p.m., the Committee adjourned until 3:30 p.m., Thursday, October 25, 2001.

Santosh Sirpaul

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 28

Thursday, October 25, 2001

ORDER OF THE DAY:

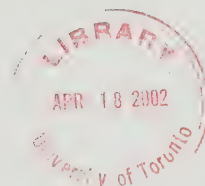
Study of the final report of the Advisory Committee on Labour-Management Relations in the Federal Public Service, Working Together in the Public Interest

WITNESSES:

As Individuals:

Penny Driscoll;

John L. Fryer.





MINUTES OF PROCEEDINGS

Meeting No. 28

Thursday, October 25, 2001

The Standing Committee on Public Accounts met at 3:35 p.m. this day, in Room 209, West Block, the Chair, John Williams, presiding.

Members of the Committee present: John Bryden, John Finlay, Rahim Jaffer, Pat Martin, Shawn Murphy, Gilles-A. Perron, Beth Phinney, Alex Shepherd and John Williams.

Acting Member present: Monique Guay for Odina Desrochers.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Research Officers.

Witnesses: As Individuals: John L. Fryer, Former Chair of the Advisory Committee on Labour-Management Relations in the Federal Public Service and Penny Driscoll, Former Director, Committee Secretariat of the Advisory Committee on Labour-Management Relations in the Federal Public Service.

Pursuant to Standing Order 108(3)(e), the Committee proceeded to consider the Final Report of the Advisory Committee on Labour-Management Relations in the Federal Public Service, Working Together in the Public Interest.

John L. Fryer made a statement and, with the witness, answered questions.

At 5:20 p.m., the Committee adjourned until 3:30 p.m., Tuesday, October 30, 2001.

Santosh Sirpaul

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS

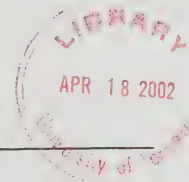
Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 29

Tuesday, October 30, 2001



ORDER OF THE DAY:

Study of Chapter 24 (Federal Health and Safety Regulatory Programs) of the December 2000 Report of the Auditor General of Canada

WITNESSES:

Health Canada:

Diane Gorman, Assistant Deputy Minister, Health Products and Food Branch;

Robert Peterson, Director General, Therapeutic Products Directorate and Acting Director,
General Biologics and Genetics Therapies Directorate.

Office of the Auditor General of Canada:

Ronald Campbell, Principal;

Douglas Timmins, Assistant Auditor General of Canada.

Privy Council Office:

Hélène Quesnel, Policy Analyst, Regulatory Affairs and Orders in Council Secretariat;

George Redling, Assistant Secretary, Regulatory Affairs and Orders in Council.

Transport Canada:

Janet Milne, Assistant Deputy Minister, Corporate Services Group.



MINUTES OF PROCEEDINGS

Meeting No. 29

Tuesday, October 30, 2001

The Standing Committee on Public Accounts met at 3:35 p.m. this day, in Room 308, West Block, the Chair, John Williams, presiding.

Members of the Committee present: Robert Bertrand, John Bryden, John Finlay, Rahim Jaffer, Gilles-A. Perron, Beth Phinney, Alex Shepherd and John Williams.

Acting Members present: Rob Merrifield for Philip Mayfield; Gurmant Grewal for Myron Thompson.

Associate Members present: Gurmant Grewal and Rob Merrifield.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal, Research Officer.

Witnesses: From the Office of the Auditor General of Canada: Alan Gilmore, Principal; Ronald Campbell, Principal; Douglas Timmins, Assistant Auditor General. *From Privy Council Office:* George Redling, Assistant Secretary, Regulatory Affairs and Orders in Council; Hélène Quesnel, Principal Analyst, Regulatory Affairs and Orders in Council Secretariat. *From the Department of Transport:* Janet Milne, Assistant Deputy Minister, Corporate Services Group; Gordon Chapman, Executive Director, Regulatory / Inspection Secretariat. *From the Department of Health:* Diane Gorman, Assistant Deputy Minister, Health Products and Food Branch; Dr. Robert Peterson, Director General, Health Products Directorate, Health Products and Food Branch.

Pursuant to Standing Order 108(3)(e), the Committee proceeded to consider Chapter 24 (Federal Health and Safety Regulatory Programs) of the December 2000 Report of the Auditor General of Canada.

Douglas Timmins from the Office of the Auditor General of Canada made a statement.

George Redling from Privy Council Office made a statement.

Janet Milne from the Department of Transport made a statement.

Diane Gorman from the Department of Health made a statement.

The witnesses answered questions.

At 5:20 p.m., the Committee adjourned until 3:30 p.m., November 1st, 2001.

Santosh Sirpaul

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 30

Thursday, November 1, 2001

ORDER OF THE DAY:

Study of Chapter 25 (Canadian Food Inspection Agency - Food Inspection Programs) of the December 2000 Report of the Auditor General of Canada

WITNESSES:

Canadian Food Inspection Agency:

Peter Brackenridge, Vice-President, Programs;

Sarah Kahn, Director, Animal Health and Production Division;

Greg Orris, Director, Bureau of Food Safety and Consumer Protection;

Gordon White, Executive Director, Financial Affairs.

Office of the Auditor General of Canada:

Sheila Fraser, Auditor General of Canada.



MINUTES OF PROCEEDINGS

Meeting No. 30

Thursday, November 1st, 2001

The Standing Committee on Public Accounts met at 3:31 p.m. this day, in Room 209, West Block, the Vice-Chair, Mac Harb, presiding.

Members of the Committee present: Robert Bertrand, John Finlay, Mac Harb, Pat Martin and Beth Phinney.

Attending Members present: Marcel Gagnon for Gilles-A. Perron.

Attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Gauthier, Research Officers.

Witnesses: From the Office of the Auditor General of Canada: Sheila Fraser, Auditor General of Canada; Douglas Munn, Assistant Auditor General; Neil Maxwell, Principal. From the Canadian Food Inspection Agency: Peter Brackenridge, Vice-President, Programs; Sarah Kahn, Director, Animal Health and Production Division; Greg Orriss, Director, Bureau of Food Safety and Consumer Protection; Gordon White, Executive Director, Financial Services.

Pursuant to Standing Order 108(3)(e), the Committee proceeded to consider Chapter 25 (Canadian Food Inspection Agency - Food Inspection Programs) of the December 2000 Report of the Auditor General of Canada.

Sheila Fraser from the Office of the Auditor General of Canada made a statement.

Peter Brackenridge from the Canadian Food Inspection Agency made a statement.

Sheila Fraser, Peter Brackenridge, Greg Orriss, Sarah Kahn and Gordon White answered questions.

At 4:54 p.m., the Committee adjourned until 3:30 p.m., Tuesday, November 6, 2001.

Santosh Sirpaul

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 31

Tuesday, November 6, 2001

ORDER OF THE DAY:

Study of the Public Accounts of Canada for the year 2001

WITNESSES:

Department of Finance Canada:

Peter DeVries, Director, Fiscal Policy Division.

Office of the Auditor General of Canada:

Sheila Fraser, Auditor General of Canada;

John Wiersema, Assistant Auditor General.

Treasury Board Secretariat:

John Morgan, Executive Director, Financial Management and Accounting Policy;

Richard J. Neville, Deputy Comptroller General.



MINUTES OF PROCEEDINGS

Meeting No. 31

Tuesday, November 6, 2001

The Standing Committee on Public Accounts met at 3:38 p.m. this day, in Room 209, West Block, the Chair, John Williams, presiding.

Members of the Committee present: Robert Bertrand, John Bryden, Odina Desrochers, John Finlay, Philip Hayfield, Shawn Murphy, Beth Phinney, Alex Shepherd and John Williams.

Attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Piquis, Research Officers.

Witnesses: From the Office of the Auditor General of Canada: Sheila Fraser, Auditor General of Canada; John Tiersema, Assistant Auditor General; John Hodgins, Principal. From the Treasury Board Secretariat: Richard J. Neville, Deputy Comptroller General; John Morgan, Executive Director, Financial Management and Accounting Policy; Mike Joyce, Assistant Secretary, Expenditure and Management Strategies Sector. From the Department of Finance: Peter DeVries, Director, Fiscal Policy Division.

Pursuant to Standing Order 108(3)(e), the Committee resumed consideration of the Public Accounts of Canada 2001. (See Minutes of Proceedings of Thursday, September 27, 2001, meeting No. 23)

Sheila Fraser from the Office of the Auditor General of Canada made a statement.

Richard Neville from the Treasury Board Secretariat made a statement.

The witnesses answered questions.

At 5:22 p.m., the Committee adjourned until Tuesday, November 20, 2001.

Santosh Sirpaul

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 32

Tuesday, November 20, 2001

ORDER OF THE DAY:

Study of Chapter 10 (Transport Canada – Airport Transfers: National Airports System) of the October 2000 Report of the Auditor General of Canada

WITNESSES:

Office of the Auditor General of Canada:

Michael McLaughlin, Deputy Auditor General;

Shahid Minto, Assistant Auditor General.

Transport Canada:

David Bell, Director General, Airport Programs and Divestiture;

Valérie Dufour, Director General, Air Policy;

Louis Ranger, Assistant Deputy Minister.





MINUTES OF PROCEEDINGS

Meeting No. 32

Tuesday, November 20, 2001

The Standing Committee on Public Accounts met at 3:43 p.m. this day, in Room 308, West Block, the Vice-Chair Beth Phinney presiding.

Members of the Committee present: Robert Bertrand, Shawn Murphy, Gilles-A. Perron, Beth Phinney and John Williams.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Research Officers.

Witnesses: From the Office of the Auditor General of Canada: Michael McLaughlin, Deputy Auditor General; Shahid Minto, Assistant Auditor General; Régent Chouinard, Director. From the Department of Transport: Louis Ranger, Assistant Deputy Minister; David Bell, Director General, Airport Programs and Divestiture; Valérie Dufour, Director General, Air Policy.

Pursuant to Standing Order 108(3)(e), the Committee proceeded to consider Chapter 10 (Transport Canada - Airport Transfers: National Airports System) of the October 2000 Report of the Auditor General of Canada.

At 3:47 p.m., John Williams took the Chair.

Michael McLaughlin from the Office of the Auditor General of Canada made a statement.

Louis Ranger from the Department of Transport made a statement.

Michael McLaughlin, Shahid Minto, Louis Ranger, David Bell and Valérie Dufour answered questions.

At 5:28 p.m., the Committee adjourned until 3:30 p.m. Thursday, November 22, 2001.

Santosh Sirpaul

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 33

Thursday, November 22, 2001

ORDER OF THE DAY:

Study of the Annual Performance Report of the Office of the Auditor General of Canada for the period ending March 31, 2001

WITNESSES:

Office of the Auditor General of Canada:

Sheila Fraser, Auditor General of Canada;

Michael McLaughlin, Deputy Auditor General.





MINUTES OF PROCEEDINGS

Meeting No. 33

Thursday, November 22, 2001

The Standing Committee on Public Accounts met at 3:40 p.m. this day, in Room 209, West Block, the Chair, John Williams, presiding.

Members of the Committee present: Mac Harb, Sophia Leung, Shawn Murphy, Alex Shepherd and John Williams.

Attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Research Officers.

Witnesses: From the Office of the Auditor General of Canada: Sheila Fraser, Auditor General of Canada; Michael McLaughlin, Deputy Auditor General.

Pursuant to Standing Order 108(3)(e), the Committee proceeded to consider the Annual Performance Report of the Office of the Auditor General of Canada for the period ending March 31, 2001.

Sheila Fraser made a statement.

Michael McLaughlin made a statement.

The witnesses answered questions.

At 4:42 p.m., the Committee adjourned until 3:30 p.m. Tuesday, November 27, 2001.

Santosh Sirpaul

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 34

Tuesday, November 27, 2001

IN CAMERA



MINUTES OF PROCEEDINGS

Meeting No. 34

Tuesday, November 27, 2001

The Standing Committee on Public Accounts met *in camera* at 4:09 p.m. this day, in Room 308, West Block, the Chair, John Williams, presiding.

Members of the Committee present: Robert Bertrand, John Bryden, Gerry Byrne, Mac Harb, Philip Mayfield, Gilles-A. Perron and John Williams.

Acting Members present: Gar Knutson for Shawn Murphy and Alan Tonks for Alex Shepherd.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Research Officers.

Pursuant to Standing Order 108(3)(e), the Committee resumed consideration of the Draft Report on Chapter 15 Health Canada - First Nations Health: Follow-up) of the October 2000 Report of the Auditor General of Canada.

It was agreed, - That the Committee adopt the Draft Report, as amended, as the TENTH REPORT of the Committee.

It was agreed, - That pursuant to Standing Order 109, the Committee request that the Government provide a comprehensive response to this Report.

It was agreed, - That the Chair be authorized to make such grammatical and editorial changes to the Report as may be necessary without changing the substance of the Report.

It was agreed, - That the Chair Table the TENTH REPORT to the House.

It was agreed, - That a Press Release be issued.

Pursuant to Standing Order 108(3)(e), the Committee proceeded to consider the Draft Report on Chapter 21, (Post Secondary Recruitment Program of the Federal Public Service) of the December 2000 Report of the Auditor General of Canada.

It was agreed, - That the Committee adopt the Draft Report as the ELEVENTH REPORT of the Committee.

It was agreed, - That pursuant to Standing Order 109, the Committee request that the Government provide a comprehensive response to this Report.

It was agreed, - That the Chair be authorized to make such grammatical and editorial changes to the Report as may be necessary without changing the substance of the Report.

It was agreed, - That the Chair Table the ELEVENTH REPORT to the House.

It was agreed, - That a Press Release be issued.

At 5:40 p.m., the Committee adjourned to the call of the Chair.

Santosh Sirpaul

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 35

Thursday, November 29, 2001

ORDER OF THE DAY:

Study of the draft report on Chapter 9, (Streamlining the Human Resource Management Regime: A Study of Changing Roles and Responsibilities) of the April 2000 Report of the Auditor General of Canada

WITNESSES:

Accounting Chamber of the Russian Federation:

Anatoly Nikolaevich Saunin, Head of the Methodology Department.

Canada-Russia Parliamentary Program:

Geoffrey Dubrow, Deputy Director.

Office of the Auditor General of Canada:

Manfred Kühnapfel, Director of International Affairs.





MINUTES OF PROCEEDINGS

Meeting No. 35

Thursday, November 29, 2001

The Standing Committee on Public Accounts met at 3:41 p.m. this day, in Room 209, West Block, the Chair, John Williams, presiding.

Members of the Committee present: John Bryden, Odina Desrochers, John Finlay, Mac Harb, Sophia Leung, Pat Martin, Philip Mayfield, Shawn Murphy and John Williams.

attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Research Officers.

At 3:41 p.m., the Committee met with a delegation from Russia.

At 4:05 p.m., the sitting was suspended.

At 4:09 p.m., the sitting resumed *in camera*.

Pursuant to Standing Order 108(3)(e), the Committee proceeded to consider a Draft Report on Chapter 9, (streamlining the Human Resource Management Regime: A Study of Changing Roles and Responsibilities) of the April 2000 Report of the Auditor General of Canada.

It was agreed, - That the Committee adopt the Report, as amended, as the TWELFTH REPORT of the Committee.

It was agreed, - That pursuant to Standing Order 109, the Committee request that the Government provide a comprehensive response to this report.

It was agreed, - That the Chair be authorized to make such grammatical and editorial changes to the Report as may be necessary without changing the substance of the Report.

It was agreed, - That the Chair Table the TWELFTH REPORT to the House.

It was agreed, - That a Press Release be issued.

At 4:50 p.m., the Committee adjourned to the call of the Chair.

Santosh Sirpaul

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 36

Thursday, December 6, 2001

ORDERS OF THE DAY:

Study of the December 2001 Report of the Auditor General of Canada

Study of the Draft Report of the Advisory Committee on Labour-Management Relations in the Federal Public Service, Working Together in the Public Interest

WITNESSES:

Office of the Auditor General of Canada:

Sheila Fraser, Auditor General of Canada;

Shahid Minto, Assistant Auditor General.



MINUTES OF PROCEEDINGS

Meeting No. 36

Thursday, December 6, 2001

The Standing Committee on Public Accounts met in a televised session at 3:32 p.m. this day, in Room 237-C, Centre Block, the Chair, John Williams, presiding.

Members of the Committee present: John Bryden, Gery Byrne, John Finlay, Mac Harb, Rahim Jaffer, Sophia Ung, Pat Martin, Philip Mayfield, Gilles-A. Perron, Beth Phinney, Alex Shepherd and John Williams.

Guest Members present: Anthony Tirabassi for Robert Bertrand, Gar Knutson for John Bryden, Michel Guimond for Odina Desrochers, Carolyn Parish for Shawn Murphy and Stockwell Day for Myron Thompson.

Associate Member present: Stockwell Day.

Attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Research Officers.

Witnesses: From the Office of the Auditor General of Canada: Sheila Fraser, Auditor General of Canada; Michael McLaughlin, Deputy Auditor General; Shahid Minto, Assistant Auditor General.

Pursuant to Standing Order 108(3)(e), the Committee proceeded to consider the December 2001 Report of the Auditor General of Canada.

Sheila Fraser made a statement.

Sheila Fraser and Shahid Minto answered questions.

At 4:36 p.m., the sitting was suspended.

At 4:42 p.m., the sitting resumed *In Camera*.

Pursuant to Standing Order 108(3)(c), the Committee proceeded to consider the Draft Report of the Advisory Committee on Labour-Management Relations in the Federal Public Service, Working Together in the Public Interest.

It was agreed, - That the Committee adopt the Report, as amended, as the THIRTEENTH REPORT of the Committee.

It was agreed, - That pursuant to Standing Order 109, the Committee request that the Government provide a comprehensive response to this report.

It was agreed, - That the Chair be authorized to make such grammatical and editorial changes to the Report as may be necessary without changing the substance of the Report.

It was agreed, - That the Chair Table the THIRTEENTH REPORT to the House.

It was agreed, - That a Press Release be issued.

At 4:52 p.m., the Committee adjourned to the call of the Chair.

Santosh Sirpaul

Clerk of the Committee

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HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 37

Thursday, January 31, 2002

ORDER OF THE DAY:

Study of Chapter 2 (Sustainable Development Management Systems) and Chapter 3 (Reporting on Sustainable Development: Is the System Working?) of the Commissioner of the Environment and Sustainable Development December 2001 Report

WITNESSES:

Office of the Commissioner of the Environment and Sustainable Development:

Johanne G  linas, Commissioner;

John Reed, Principal;

Tedd Wood, Director.

Treasury Board of Canada Secretariat:

Lee McCormack, Executive Director, Results Management and Reporting;

Roberta Santi, Associate Deputy Comptroller General, Comptrollership Branch.





MINUTES OF PROCEEDINGS

Meeting No. 37

Thursday, January 31, 2002

The Standing Committee on Public Accounts met at 4:00 p.m. this day, in Room 209, West Block, the Chair, John Williams, presiding.

Members of the Committee present: John Bryden, Odina Desrochers, John Finlay, Sophia Leung, Beth Phinney and John Williams.

Acting Members present: Guy St-Julien for Robert Bertrand; Gurmant Grewal for Philip Mayfield; Joe Comartin for Pat Martin; Alan Tonks for Shawn Murphy.

Associate Member present: Gurmant Grewal.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Research Officers.

Witnesses: From the Commissioner of the Environment and Sustainable Development: Johanne Gélinas, Commissioner of the Environment and Sustainable Development; John Reed, Principal; Tedd Wood, Director. *From the Treasury Board Secretariat:* Roberta Santi, Associate Deputy Comptroller General, Comptrollership Branch; Lee McCormack, Executive Director, Results Management and Reporting; Bev Levere, Sustainable Development Advisor, Economic Sector.

Pursuant to Standing Order 108(3)(e), the Committee proceeded to consider Chapter 2 (Sustainable Development Management Systems) and Chapter 3 (Reporting on Sustainable Development: Is the System Working?) of the Commissioner of the Environment and Sustainable Development December 2001 Report.

Gurmant Grewal, M.P. gave Notice of the following motion:

- That the Public Accounts Committee recommend an Order of the House be issued for copies of all detailed expense account information for ministers and their exempt political staff, and that the information shall be tabled in the House and permanently referred to the Standing Committee on Public Accounts.

The Committee resumed consideration of Chapter 2 (Sustainable Development Management Systems) and Chapter 3 (Reporting on Sustainable Development: Is the System Working?) of the Commissioner of the Environment and Sustainable Development December 2001 Report.

Johanne Gélinas made a statement.

Roberta Santi made a statement.

The witnesses answered questions.

John Bryden gave Notice of an amendment to the motion of Gurmant Grewal, which is as follows:

- That the first paragraph be amended by adding after the words "account information" the following thereto:

"for the past calendar year"

and deleting the words "the information" and substituting the following therefor:

the disclosable information as determined by the Access to Information Act"

and, add the following paragraph thereto:

For the purposes of this motion, Ministers and their exempt political staff shall be deemed to be officers and employees of a government institution as government institution is defined in the Access to Information Act and the Privacy Act.

At 5:30 p.m., the Committee adjourned until Tuesday, February 5, 2002 at 3:30 p.m.

Santosh Sirpaul

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 38

Tuesday, February 5, 2002

ORDERS OF THE DAY:

Adoption of the 4th Report of the Sub-Committee on Agenda and Procedure

Notice of motion by Mr. Gurmant Grewal, M.P.

Consideration of a draft Report on Chapter 26, (Health Canada – Regulatory Regime of Biologics) and Chapter 27, (Canadian Nuclear Safety Commission – Power Reactor Regulation) of the December 2000 Report of the Auditor General of Canada





MINUTES OF PROCEEDINGS

Meeting No. 38

Tuesday, February 5, 2002

The Standing Committee on Public Accounts met at 3:30 p.m. this day, in Room 209, West Block, the Chair, John Williams, presiding.

Members of the Committee present: Robert Bertrand, John Bryden, Odina Desrochers, John Finlay, Mac Harb, Sophia Leung, Pat Martin, Shawn Murphy, Gilles-A. Perron, Beth Phinney, Alex Shepherd and John Williams.

Acting Members present: Allan Tonks for Gerry Byrne; Gary Lunn for Rahim Jaffer; Ken Epp for Philip Mayfield; Gurmant Grewal for Myron Thompson and Loyola Hearn for Greg Thompson.

Associate Members present: Ken Epp, Gurmant Grewal, Loyola Hearn and Gary Lunn.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Research Officers.

The Chair presented the FOURTH REPORT of the Sub-Committee on Agenda and Procedure which is as follows:

The Sub-Committee met on Thursday, December 6, 2001 and agreed to make the following recommendations:

1. - That meetings be scheduled to consider the following Chapters from the December 2001 Report of the Auditor General of Canada;

Chapter 1 - Matters of Special Importance 2001: Main Points – Employment Insurance Premiums; and

Chapter 13 - Other Audit Observations – Human Resources Development Canada and the Canada Employment Insurance Commission;

Chapter 2 – Recruiting for Canada's Future Public Service: Changing the System;

Chapter 3 – Recruiting for Canada's Future Public Service: Changing the Practices;

Chapter 7 – Canada Customs and Revenue Agency – International Tax Administration: Non-Residents Subject to Canadian Income Tax;

Chapter 10 – National Defence – In Service Equipment;

Chapter 13 – Parc Downsview Park Inc.

2. - That Chapter 2 (Sustainable Development Management Systems) and Chapter 3 (Reporting on Sustainable Development: Is the System Working?) of the Commissioner of the Environment and Sustainable Development: December 2001 Report, be considered.

On motion of Mac Harb, it was agreed, - That the FOURTH REPORT of the Sub-Committee on Agenda and

Procedure be concurred in.

The Committee proceeded to the consideration of the motion of Gurmant Grewal, submitted on Thursday, January 31, 2002, which is as follows:

- That the Public Accounts Committee recommend an Order of the House be issued for copies of all detailed expense account information for ministers and their exempt political staff, and that the information shall be tabled in the House and permanently referred to the Standing Committee on Public Accounts.

And an amendment to the motion by John Bryden, submitted on Thursday, January 31, 2002:

That the first paragraph be amended by adding after the words "account information" the following thereto:

"for the past calendar year"

and deleting the words "the information" and substituting the following therefor:

the disclosable information as determined by the Access to Information Act"

and, add the following paragraph thereto:

For the purposes of this motion, Ministers and their exempt political staff shall be deemed to be officers and employees of a government institution as government institution is defined in the Access to Information Act the Privacy Act.

Beth Phinney moved, - That consideration of the motion and the amendment thereto be deferred until the committee hears from Treasury Board and the Department of Justice.

After debate, the question was put on the motion, it was, by a show of hands, agreed to: YEAS: 10; NAYS: 6.

At 3:40 p.m., the sitting was suspended.

At 3:45 p.m., the Committee proceeded to sit *in Camera*.

Pursuant to Standing Order 108(3)(e), the Committee proceeded to consider the Draft Report on Chapter 26, (Health Canada - Regulatory Regime of Biologics) and Chapter 27, (Canadian Nuclear Safety Commission - Power Reactor Regulation) of the December 2000 Report of the Auditor General of Canada.

At 4:10 p.m., the Committee adjourned to the call of the Chair.

Santosh Sirpaul

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 39

Thursday, February 7, 2002

ORDER OF THE DAY:

The Committee welcomes a delegation from Ethiopia

WITNESSES:

Canadian International Development Agency:

Calvin Piggott, Senior Development Officer, Horn of Africa.

Ethiopia:

Ato Lemma, Auditor General.





MINUTES OF PROCEEDINGS

Meeting No. 39

Thursday, February 7, 2002

The Standing Committee on Public Accounts met at 3:37 p.m. this day, in Room 209, West Block, the Chair, John Williams, presiding.

Members of the Committee present: Robert Bertrand, John Bryden, Odina Desrochers, John Finlay, Philip Mayfield, Shawn Murphy, Alex Shepherd and John Williams.

Acting Members present: Jason Kenny for Rahim Jaffer; David Anderson for Myron Thompson.

Associate Member present: David L. Anderson.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Research Officers.

The Chair welcomed a delegation from Ethiopia and invited Mr. Ato Lemma, Auditor General, Office of the Federal Auditor General, to make a few remarks.

At 3:52 p.m., the sitting was suspended.

At 3:57 p.m., the Committee resumed its sitting *in camera*.

1. Pursuant to Standing Order 108(3)(e), the Committee resumed consideration of the Draft Report on Chapter 26, (Health Canada - Regulatory Regime of Biologics) and Chapter 27, (Canadian Nuclear Safety Commission - Power Reactor Regulation) of the December 2000 Report of the Auditor General of Canada. (See Minutes of Proceedings of Tuesday, February 5, 2002, Meeting No. 38).

2. Pursuant to Standing Order 108(3)(e), the Committee proceeded to consider the Draft Report on Chapter 25 (Canadian Food Inspection Agency - Food Inspection Programs) of the December 2000 Report of the Auditor General of Canada.

It was agreed, - That the Committee adopt the Report as the FOURTEENTH REPORT of the Committee.

It was agreed, - That pursuant to Standing Order 109, the Committee request that the Government provide a comprehensive response to this Report.

It was agreed, - That the Chair be authorized to make such grammatical and editorial changes to the Report as may be necessary without changing the substance of the Report.

It was agreed, - That the Chair Table the FOURTEENTH REPORT to the House.

It was agreed, - That a Press Release be issued.

3. Pursuant to Standing Order 108(3)(e), the Committee proceeded to consider the Draft Report on Chapter 18 (Governance of Crown Corporations) of the December 2000 Report of the Auditor General of Canada.

It was agreed, - That the Committee adopt the Report as the FIFTEENTH REPORT of the Committee.

It was agreed, - That pursuant to Standing Order 109, the Committee request that the Government provide a comprehensive response to this Report.

It was agreed, - That the Chair be authorized to make such grammatical and editorial changes to the Report as may be necessary without changing the substance of the Report.

It was agreed, - That the Chair Table the FIFTEENTH REPORT to the House.

It was agreed, - That a Press Release be issued.

4. Pursuant to Standing Order 108(3)(e), the Committee proceeded to consider the Draft Report on Chapter 24 (Federal Health and Safety Regulatory Programs) of the December 2000 Report of the Auditor General of Canada.

It was agreed, - That the Committee adopt the Report as the SIXTEENTH REPORT of the Committee.

It was agreed, - That pursuant to Standing Order 109, the Committee request that the Government provide a comprehensive response to this Report.

It was agreed, - That the Chair be authorized to make such grammatical and editorial changes to the Report as may be necessary without changing the substance of the Report.

It was agreed, - That the Chair Table the SIXTEENTH REPORT to the House.

It was agreed, - That a Press Release be issued.

At 4:50 p.m., the Committee adjourned to the call of the Chair.

Santosh Sirpaul

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 40

Tuesday, February 19, 2002

ORDER OF THE DAY:

Study of Chapter 2 (Recruitment for Canada's Future Public Service: Changing the System) and Chapter 3 (Recruitment for Canada's Future Public Service: Changing the Practices)

WITNESSES:

Human Resources Modernization Task Force:

Ranald Quail, Deputy Minister and Head.

Office of the Auditor General of Canada:

Maria Barrados, Assistant Auditor General;

Michael McLaughlin, Deputy Auditor General.

Public Service Commission of Canada:

Douglas Rimmer, Vice-President;

Scott Serson, President.

Treasury Board Secretariat:

Frank Claydon, Secretary of the Treasury Board and Comptroller General of Canada.





MINUTES OF PROCEEDINGS

Meeting No. 40

Tuesday, February 19, 2002

The Standing Committee on Public Accounts met at 3:34 p.m. this day, in Room 308, West Block, the Chair, John Williams, presiding.

Members of the Committee present: Robert Bertrand, John Bryden, John Finlay, Pat Martin, Shawn Murphy, Beth Phinney, Alex Shepherd and John Williams.

Acting Members present: Paul Szabo for Mac Harb; Ken Epp for Rahim Jaffer; Dale Johnston for Philip Mayfield; Jocelyne Girard-Bujold for Gilles-A. Perron.

Associate Members present: Ken Epp, Dale Johnston.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Research Officers.

Witnesses: From the Office of the Auditor General of Canada: Michael McLaughlin, Deputy Auditor General; Maria Barrados, Assistant Auditor General; Kathryn Elliott, Principal. *From the Human Resources Modernization Task Force:* Ranald A. Quail, Deputy Minister and Head; Monique Boudrias, Assistant Deputy Minister and Senior Advisor. *From the Treasury Board Secretariat:* Frank Claydon, Secretary of the Treasury Board and Comptroller General of Canada; Glynnis French, Assistant Secretary, Strategic Planning and Analysis, Human Resources Branch. *From the Public Service Commission of Canada:* Scott Serson, President; Amelita A. Armit, Vice-President, Staffing and Recruitment Programs Branch; Douglas Rimmer, Vice-President, Policy, Research and Branch.

Pursuant to Standing Order 108(3)(e), the Committee proceeded to consider Chapter 2 (Recruitment for Canada's Future Public Service: Changing the System) and Chapter 3 (Recruitment for Canada's Future Public Service: Changing the Practices) of the December 2001 Report of the Auditor General of Canada.

Michael McLaughlin from the Office of the Auditor General of Canada made a statement.

Ranald A. Quail from the Human Resources Modernization Task Force summarized his statement.

It was agreed, - That the statement submitted by Ranald A. Quail be printed as an appendix to this day's Minutes of Proceedings and Evidence. (See Appendix "PACC-3")

Frank Claydon from the Treasury Board Secretariat made a statement.

Scott Serson from the Public Service Commission summarized his statement.

It was agreed, - That the statement submitted by Scott Serson be printed as an appendix to this day's

Minutes of Proceedings and Evidence. (See Appendix "PACC-4")

The witnesses answered questions.

At 5:25 p.m., the Committee adjourned until 3:30 p.m., Thursday, February 21, 2002.

Santosh Sirpaul

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 41

Thursday, February 21, 2002

ORDER OF THE DAY:

Study of Chapter 10 (National Defence – In Service Equipment)

WITNESSES:

Accounting Chamber of the Russian Federation:

Alexander Semikolennykh, Deputy Chairman.

Department of National Defence:

Raymond R. Henault, General, Chief of the Defence Staff;

Jim Judd, Deputy Minister;

Alan Williams, Assistant Deputy Minister, Materiel.

Office of the Auditor General of Canada:

Sheila Fraser, Auditor General of Canada;

Peter Kasurak, Principal;

Manfred Kühnapfel, Director, International Affairs.





Français

MINUTES OF PROCEEDINGS

Meeting No. 41

Thursday, February 21, 2002

The Standing Committee on Public Accounts met at 3:30 p.m. this day, in Room 308, West Block, the Chair, John Williams, presiding.

Members of the Committee present: Robert Bertrand, John Bryden, John Finlay, Shawn Murphy, Beth Phinney, Alex Shepherd and John Williams.

Acting Members present: Claude Bachand for Odina Desrochers; Rob Anders for Philip Mayfield; Elsie Wayne for Greg Thompson.

Associate Members present: Rob Anders, André Bachand and Elsie Wayne.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Research Officers.

Witnesses: From the Office of the Auditor General of Canada: Sheila Fraser, Auditor General of Canada; Peter Kasurak, Principal. *From the Department of National Defence:* General Raymond R. Henault, Chief of the Defence Staff; Lt-Gen. George E.C. Macdonald, Vice Chief of the Defence Staff; Jim Judd, Deputy Minister; Alan Williams, Assistant Deputy Minister, Materiel.

Manfred Kühnapfel from the Office of the Auditor General of Canada introduced the delegation from Russia.

The Chair invited Alexander Nikolaevich Semikolennykh, Deputy Chairman of the Accounting Chamber of the Russian Federation, to make a few opening remarks.

Pursuant to Standing Order 108(3)(e), the Committee proceeded to consider Chapter 10 (National Defence - In Service Equipment) of the December 2001 Report of the Auditor General of Canada.

Sheila Fraser from the Office of the Auditor General of Canada made a statement.

General Raymond R. Henault, Chief of the Defence Staff from the Department of National Defence made a few opening remarks.

Jim Judd, Deputy Minister, Department of National Defence made a few opening remarks.

The witnesses answered questions.

At 5:25 p.m., the Committee adjourned to the call of the Chair.

Santosh Sirpaul

Clerks of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 42

Thursday, February 28, 2002

IN CAMERA



**MINUTES OF PROCEEDINGS**

Meeting No. 42

Thursday, February 28, 2002

The Standing Committee on Public Accounts met at 3:36 p.m. this day, in Room 307, West Block, the Chair, John Williams, presiding.

Members of the Committee present: Robert Bertrand, John Bryden, Odina Desrochers, John Finlay, Shawn Murphy, Beth Phinney, Alex Shepherd and John Williams.

Acting Members present: Rob Merrifield for Philip Mayfield; Gerald Keddy for Greg Thompson.

Associate Members present: Gerald Keddy and Rob Merrifield.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Research Officers.

The Chair welcomed a delegation from Russia.

At 3:46 p.m., the sitting was suspended.

At 3:52 p.m., the Committee resumed its sitting *in camera* in Room 308, West Block.

Pursuant to Standing Order 108(3)(e), the Committee resumed consideration of the Draft Report on Chapter 26, (Health Canada - Regulatory Regime of Biologics) and Chapter 27, (Canadian Nuclear Safety Commission - Power Reactor Regulation) of the December 2000 Report of the Auditor General of Canada. (See Minutes of Proceedings of Tuesday, February 5, 2002, meeting No. 38)

It was agreed, - That the Committee adopt the Report, as amended, as the SEVENTEENTH REPORT of the Committee.

It was agreed, - That pursuant to Standing Order 109, the Committee request that the Government provide a comprehensive response to this Report.

It was agreed, - That the Chair be authorized to make such grammatical and editorial changes to the Report as may be necessary without changing the substance of the Report.

It was agreed, - That the Chair Table the SEVENTEENTH REPORT to the House.

It was agreed, - That a Press Release be issued.

Pursuant to Standing Order 108(3)(e), the Committee proceeded to consider the Public Accounts of Canada 2000-2001. (See Minutes of Proceedings of Thursday, September 27, 2001, meeting No. 23 and Tuesday, November 6, 2001, meeting No. 31)

It was agreed, - That the Committee adopt the Report as the EIGHTEENTH REPORT of the Committee.

It was agreed, - That pursuant to Standing Order 109, the Committee request that the Government provide a comprehensive response to this Report.

It was agreed, - That the Chair be authorized to make such grammatical and editorial changes to the Report may be necessary without changing the substance of the Report.

It was agreed, - That the Chair Table the EIGHTEENTH REPORT to the House.

It was agreed, - That a Press Release be issued.

At 4:10 p.m., the Committee adjourned to the call of the Chair.

Santosh Sirpaul

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 43

Tuesday, March 12, 2002

ORDERS OF THE DAY:

Adoption of the 5th Report of the Sub-Committee on Agenda and Procedure

Study of Chapter 7 (Canada Customs and Revenue Agency - International Tax Administration: Non-Residents Subject to Canadian Income Tax) of the December 2001 Report of the Auditor General of Canada

WITNESSES:

Canada Customs and Revenue Agency:

William Baker, Assistant Commissioner, Compliance Programs Branch;

Jeanne Flemming, Director General, International Tax Directorate.

Office of the Auditor General of Canada:

Barry Elkin, Principal;

Shahid Minto, Assistant Auditor General.





MINUTES OF PROCEEDINGS

Meeting No. 43

Tuesday, March 12, 2002

The Standing Committee on Public Accounts met in a televised session at 3:35 p.m. this day, in Room 237-C, Centre Block, the Chair, John Williams, presiding.

Members of the Committee present: Robert Bertrand, John Bryden, Mac Harb, Sophia Leung, Philip Mayfield, Shawn Murphy, Gilles-A. Perron, Beth Phinney, Alex Shepherd and John Williams.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Research Officers.

Witnesses: From the Office of the Auditor General of Canada: Shahid Minto, Assistant Auditor General; Barry Elkin, Principal. *From the Canada Customs and Revenue Agency:* William Baker, Assistant Commissioner, Compliance Programs Branch; Jeanne Flemming, Director General, International Tax Directorate, Compliance Programs Branch.

The Chair presented the FIFTH REPORT of the Sub-Committee on Agenda and Procedure, which is as follows:

The Sub-Committee met on Thursday, February 28, 2002 and agreed to make the following recommendations:

1. That Committee meetings be scheduled to consider the following Chapters from the December 2001 Report of the Auditor General of Canada:

Chapter 1 – (Financial Information Strategy: Infrastructure Readiness);

Chapters 4 & 5 – (Voted Grants and Contributions: Government-Wide Management, Voted Grants and Contributions: Program Management);

Chapter 6 – (Atlantic Canada Opportunities Agency – Economic Development);

Chapter 8 – (Canada Customs and Revenue Agency – Managing the Risks of Non-Compliance for Commercial Shipments Entering Canada);

Chapter 13 - Other Audit Observations – Department of Finance.

2. That the Main Estimates 2002-2003; vote 20 under FINANCE (Office of the Auditor General of Canada); and

The Report on Plans & Priorities relating to 2002-2003 (Office of the Auditor General of Canada) be considered.

3. That Jon Grant, former Chair of the Canada Lands Company Limited, be invited to appear before the Committee with respect to **Chapter 13** - Other Audit Observations (Park Downsview Parc Inc) of the December 2001 Report of the Auditor General of Canada.

The question being put on Recommendation 1, it was agreed to.

The question being put on Recommendation 2, it was agreed to.

On Recommendation 3

And debate arising thereon;

Mac Harb moved, - That the question be put.

The Chair ruled that the motion for the previous question was not admissible in Committees.

After debate, the question being put on Recommendation 3, it was, by a show of hands, negatived:
YEAS: 2; NAYS: 7.

And the FIFTH REPORT, as amended, was concurred in.

Pursuant to Standing Order 108(3)(e), the Committee proceeded to consider Chapter 7 (Canada Customs and Revenue Agency - International Tax Administration: Non-Residents Subject to Canadian Income Tax) of the December 2001 Report of the Auditor General of Canada.

Shahid Minto from the Office of the Auditor General of Canada made a statement.

William Baker from Canada Customs and Revenue Agency summarized his statement.

The witnesses answered questions.

At 5:11 p.m., the Committee adjourned until 3:30 p.m. Tuesday, March 14, 2002.

Santosh Sirpaul

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 44

Tuesday, March 19, 2002

ORDER OF THE DAY:

Study of Chapter 13 - Other Audit Observations (Human Resources Development Canada and the Canada Employment Insurance Commission) of the December 2001 Report of the Auditor General of Canada

WITNESSES:

Department of Finance:

Peter DeVries, Director, Economic and Fiscal Policy Division;

Susan Peterson, Assistant Deputy Minister, Federal-Provincial Relations and Social Policy Branch.

Department of Human Resources Development:

Michel Y. Bédard, Chief Actuary, Actuarial Services, Insurance;

John McWhinnie, Assistant Deputy Minister;

Wilma Vreeswijk, Director General, Labour Market Policy.

Office of the Auditor General of Canada:

Sheila Fraser, Auditor General of Canada.





MINUTES OF PROCEEDINGS

Meeting No. 44

Tuesday, March 19, 2002

The Standing Committee on Public Accounts met at 3:35 p.m. this day, in Room 308, West Block, the Chair, John Williams, presiding.

Members of the Committee present: Robert Bertrand, John Bryden, John Finlay, Mac Harb, Pat Martin, Gilles-A. Perron, Beth Phinney, Alex Shepherd and John Williams.

Acting Members present: Paul Crête for Odina Desrochers; Carol Skelton for Philip Mayfield.

Associate Member present: Carol Skelton.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Research Officers.

Witnesses: From the Office of the Auditor General of Canada: Sheila Fraser, Auditor General of Canada; Nancy Cheng, Principal; Yvon Roy, Director. *From the Department of Human Resources Development:* John McWhinnie, Assistant Deputy Minister, Insurance; Michel Y. Bédard, Chief Actuary, Actuarial Services, Insurance; Wilma Vreeswijk, Director General, Labour Market Policy. *From the Department of Finance:* Susan Peterson, Assistant Deputy Minister, Federal-Provincial Relations and Social Policy Branch; Peter DeVries, Director, Economic and Fiscal Policy Division.

Pursuant to Standing Order 108(3)(e), the Committee proceeded to consider Chapter 13 - Other Audit Observations (Human Resources Development Canada and the Canada Employment Insurance Commission) of the December 2001 Report of the Auditor General of Canada.

Sheila Fraser from the Office of the Auditor General of Canada made a statement.

On motion of Beth Phinney, it was agreed, - That a meeting be scheduled to consider the Government Response to the 21st Report of the Public Accounts Committee on the Canadian Human Rights Commission and the Canadian Human Rights Tribunal of February 9, 1999.

By unanimous consent, John Bryden, M.P. withdrew his amendment to the motion of Gurmant Grewal, M.P. of February 5, 2002, with regard to detailed expense account information for ministers and their exempt political staff.

The Committee resumed consideration of Chapter 13 - Other Audit Observations (Human Resources Development Canada and the Canada Employment Insurance Commission) of the December 2001 Report of the Auditor General of Canada.

John McWhinnie from the Department of Human Resources Development made a statement.

Susan Peterson from the Department of Finance made a statement.

The witnesses answered questions.

At 4:57 p.m., Mac Harb took the Chair.

And questioning continued.

At 5:30 p.m., the Committee adjourned until 3:30 p.m., Thursday, March 21, 2002.

Santosh Sirpaul

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 45

Thursday, March 21, 2002

ORDER OF THE DAY:

The Committee resumed consideration of the deferred Motion of Gurmant Grewal, M.P., dated February 5, 2002

WITNESSES:

Department of Justice Canada:

Mary Dawson, Associate Deputy Minister;

Denis Kratchanov, Senior Counsel, Director of Information Law and Privacy Section.

Treasury Board of Canada Secretariat:

Anne Brennan, Director, Information and Security Policy Division;

Ross Hornby, Assistant Secretary, Government Operations Sector.





MINUTES OF PROCEEDINGS

Meeting No. 45

Thursday, March 21, 2002

The Standing Committee on Public Accounts met in a televised session at 3:32 p.m. this day, in Room 253-D, Centre Block, the Chair, John Williams, presiding.

Members of the Committee present: Robert Bertrand, John Bryden, Odina Desrochers, John Finlay, Sophia Leung, Pat Martin, Shawn Murphy, Gilles-A. Perron, Beth Phinney, Alex Shepherd, Greg Thompson and John Williams.

Acting Members present: Steve Mahoney and Tony Tirabassi for Gerry Byrne; Claude Duplain for John Finlay; Paul Szabo for Mac Harb; Betty Hinton for Rahim Jaffer; Pat O'Brien for Sophia Leung; Vic Toews for Philip Mayfield and Jim Abbot for Myron Thompson.

Associate Members present: Jim Abbott, Betty Hinton and Vic Toews.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Research Officers.

Witnesses: From the Department of Justice: Mary Dawson, Associate Deputy Minister; Denis Kratchanov, Senior counsel, Director, Information Law and Privacy Section. *From the Treasury Board Secretariat:* Ross Hornby, Assistant Secretary, Government Operations Sector; Anne Brennan, Director, Information and Security Policy Division.

The Committee resumed consideration of the deferred Motion of Gurmant Grewal, M.P., dated February 5, 2002, which is as follows:

- That the Public Accounts Committee recommend an Order of the House be issued for copies of all detailed expense account information for ministers and their exempt political staff, and that the information shall be tabled in the House and permanently referred to the Standing Committee on Public Accounts.

Mary Dawson from the Department of Justice made a statement.

Ross Hornby from the Treasury Board Secretariat made a statement.

The witnesses answered questions.

The Committee resumed debate on the Motion of Gurmant Grewal, M.P.

And the question being put on the motion it was, by a show of hands, negatived on the following division: YEAS: 7; NAYS 9.

At 5:35 p.m., the Committee adjourned until 3:30 p.m., Tuesday, April 9, 2002.

Santosh Sirpaul

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 46

Tuesday, April 9, 2002

NO RECORDING

(technical problem)





MINUTES OF PROCEEDINGS

Meeting No. 46

Tuesday, April 9, 2002

The Standing Committee on Public Accounts met at 3:32 p.m. this day, in Room 209, West Block, the Chair, John Williams, presiding.

Members of the Committee present: Robert Bertrand, John Finlay, Sophia Leung, Philip Mayfield, Shawn Murphy, Gilles-A. Perron, Alex Shepherd and John Williams.

Acting Members present: Ghislain Lebel for Odina Desrochers; Gerry Ritz for Myron Thompson.

Associate Member present: Gerry Ritz.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Research Officers.

Witnesses: From the Office of the Auditor General: Sheila Fraser, Auditor General of Canada; Shahid Minto, Assistant Auditor General; Louise Bertrand, Director. *From the Privy Council Office:* Richard B. Fadden, Deputy Clerk, Counsel and Security and Intelligence Coordinator. *From the Canada Lands Company Ltd.:* Kathy Milsom, President and Chief Executive Officer. *From the Parc Downsview Park Inc.:* Tony Genco, Acting President.

Pursuant to Standing Order 108(3)(e), the Committee proceeded to consider Chapter 13 - Other Audit Observations (Parc Downsview Park Inc.) of the December 2001 Report of the Auditor General of Canada.

Sheila Fraser from the Office of the Auditor General of Canada made a statement.

Richard Fadden from the Privy Council Office made a statement.

Kathy Milsom from the Canada Lands Company Ltd. made a statement.

Tony Genco from Park Downsview Park Inc. made a statement.

The witnesses answered questions.

Gerry Ritz moved, - That the Auditor General continue to advise Parliament and this committee on this program or any other similar programs at the discretion of the Auditor General.

Debate arose thereon.

Ghislain Lebel moved, - That the motion be amended by deleting the words "this program" and substituting the following therefor.

Park Downsview Parc Inc.

The question being put on the amendment, it was agreed to.

And the question being put on the motion, as amended, it was agreed to by a show of hands: YEAS: 7; NAYS: 2.

At 5:27 p.m., the Committee adjourned until 3:30 p.m., Thursday, April 11, 2002.

Santosh Sirpaul

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 47

Thursday, April 11, 2002

ORDERS OF THE DAY:

Proceedings of the Tuesday, April 9, 2002 meeting of the Committee

Study of Chapter 13 - Other Audit Observations (Heating fuel rebate) of the December 2001
Report of the Auditor General of Canada

WITNESSES:

Canada Customs and Revenue Agency:

David Miller, Assistant Commissioner.

Department of Finance Canada:

Stephen Richardson, Senior Assistant Deputy Minister.

House of Commons:

Marc Bosc, Clerk Assistant, Committees Directorate;

Bonita Neri, Director, Parliamentary Publications Directorate.

Office of the Auditor General of Canada:

Sheila Fraser, Auditor General of Canada.



MINUTES OF PROCEEDINGS

eting No. 47

ursday, April 11, 2002

Standing Committee on Public Accounts met at 3:35 p.m. this day, in Room 371, West Block, the Chair, John Williams, presiding.

Members of the Committee present: Robert Bertrand, John Bryden, Odina Desrochers, John Finlay, Sophia Leung, Philip Mayfield, Shawn Murphy, Alex Shepherd and John Williams.

Attendance: *From the Parliamentary Research Branch of the Library of Parliament:* Brian O'Neal and Jean Phipps, Research Officers.

Witnesses: *From the Committees Directorate:* Marc Bosc, Clerk Assistant. *From the Parliamentary Publications:* Bonita Neri, Director. *From the Office of the Auditor General:* Sheila Fraser, Auditor General of Canada; James Rod, Principal; Richard Domingue, Director. *From the Department of Finance:* Stephen Richardson, Senior Assistant Deputy Minister, Tax Policy Branch; Serge Nadeau, Director, Personal Income Tax Division, Tax Policy Branch. *From the Canada Customs and Revenue Agency:* David W. Miller, Assistant Commissioner, Assessment and Collections Branch; Kathy Turner, Director general, Benefit Programs Directorate, Assessment and Collections Branch.

The Committee proceeded to consider the question of the Audio Recording of the meeting of Tuesday, April 9, 2002 with respect to Chapter 13 - Other Audit Observations (Parc Downsview Park Inc.) of the December 2001 Report of the Auditor General of Canada.

Marc Bosc and Bonita Neri answered questions.

John Bryden moved, - That this committee recall the witnesses that appeared before the Public Accounts Committee on April 9, 2002.

After debate, it was agreed by a show of hands that the motion be tabled and allowed to stand: YEAS: 8; NAYS: 1.

At 4:02 p.m., the sitting was suspended.

At 4:05 p.m., the sitting resumed.

Pursuant to Standing Order 108(3)(e), the Committee proceeded to consider Chapter 13 - Other Audit Observations (Heating fuel rebate) of the December 2001 Report of the Auditor General of Canada.

Sheila Fraser from the Office of the Auditor General of Canada made a statement.

Stephen Richardson from the Department of Finance made a statement.

David M. Miller from the Canada Customs and Revenue Agency made a statement.

The witnesses answered questions.

At 5:30 p.m., the Committee adjourned until Thursday, April 18, 2002.

Santosh Sirpaul

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 48

Thursday, April 18, 2002

ORDER OF THE DAY:

Study of April 2002 Report of the Auditor General of Canada

WITNESSES:

Office of the Auditor General of Canada:

Maria Barrados, Assistant Auditor General;

Sheila Fraser, Auditor General of Canada;

Michael McLaughlin, Deputy Auditor General;

Doug Timmins, Assistant Auditor General.





Français

MINUTES OF PROCEEDINGS

Meeting No. 48

Thursday, April 18, 2002

The Standing Committee on Public Accounts met in a televised session at 3:35 p.m. this day, in Room 237-C, Centre Block, the Chair, John Williams, presiding.

Members of the Committee present: John Bryden, Odina Desrochers, John Finlay, Mac Harb, Sophia Leung, Shawn Murphy, Alex Shepherd and John Williams.

Acting Members present: Leon Benoit for Philip Mayfield; Marcel Proulx for Beth Phinney; Val Meredith for Myron Thompson.

Associate Members present: Leon Benoit and Val Meredith.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Research Officers.

Witnesses: From the Office of the Auditor General: Sheila Fraser, Auditor General of Canada; Michael McLaughlin, Deputy Auditor General; Maria Barrados, Assistant Auditor General; Doug Timmins, Assistant Auditor General; Hugh McRobert, Assistant Auditor General.

Pursuant to Standing Order 108(3)(e), the Committee proceeded to consider the April 2002 Report of the Auditor General of Canada.

It was agreed, - That the letter dated April 10, 2002 addressed to John Williams, Chair of the Public Accounts Committee, from Michael J. McLaughlin, Deputy Auditor General, with regard to Recruitment of Canada's Future Public Service, Chapters 2 and 3 of the December 2001 Report of the Auditor General of Canada, be printed as an appendix to this day's Minutes of Proceedings and Evidence. (See Appendix "PACC-3")

Sheila Fraser made a statement and, with the witnesses, answered questions.

At 5:00 p.m., the Committee adjourned until 3:30 p.m. Tuesday, April 23, 2002.

Santosh Sirpaul

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 49

Tuesday, April 23, 2002

ORDER OF THE DAY:

Study of Chapter 6 (Atlantic Canada Opportunities Agency – Economic Development) of the December 2001 Report of the Auditor General of Canada

WITNESSES:

Atlantic Canada Opportunities Agency:

Peter Estey, Vice-President, Finance and Corporate Services;

Paul LeBlanc, Vice-President, Policy and Programs;

Dennis Wallace, President.

Office of the Auditor General of Canada:

Sheila Fraser, Auditor General of Canada;

John O'Brien, Principal.



MINUTES OF PROCEEDINGS

Meeting No. 49

Tuesday, April 23, 2002

The Standing Committee on Public Accounts met at 3:35 p.m. this day, in Room 371, West Block, the Chair, John Williams, presiding.

Members of the Committee present: Robert Bertrand, John Bryden, Odina Desrochers, John Finlay, Mac Harb, Beth Phinney, Alex Shepherd and John Williams.

Acting Members present: Brian Fitzpatrick for Rahim Jaffer; Val Meredith for Philip Mayfield; Roger Cuzner for Shawn Murphy.

Associate Members present: Brian Fitzpatrick and Val Meredith.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Research Officers.

Witnesses: From the Office of the Auditor General: Sheila Fraser, Auditor General of Canada; John O'Brien, Principal; Marilyn Rushton, Director. *From the Atlantic Canada Opportunities Agency:* Dennis Wallace, President; Paul J. LeBlanc, Vice-President, Policy and Programs; Peter Estey, Vice-President, Finance and Corporate Services.

Pursuant to Standing Order 108(3)(e), the Committee proceeded to consider Chapter 6 (Atlantic Canada Opportunities Agency - Economic Development) of the December 2001 Report of the Auditor General of Canada.

Sheila Fraser from the Office of the Auditor General made a statement.

Dennis Wallace from the Atlantic Canada Opportunities Agency made a statement.

The Chair presented the SIXTH REPORT of the Sub-Committee on Agenda and Procedure, which is as follows:

The Sub-Committee met on Thursday, April 18, 2002 and agreed to make the following recommendations:

1. That Committee meetings be scheduled to consider the following Chapters from the April 2002 Report of the Auditor General of Canada:

Chapter 1 – (Placing the Public's Money Beyond Parliament's Reach);

Chapter 3 – (Information Technology Security);

Chapter 8 – Other Audit Observations: - Health Canada and Public Works and Government Services Canada.

2. CCPAC 2002 CONFERENCE

a) - That the Chair of the Committee be authorized to seek the authority and the necessary funds to permit up to seven (7) members of the Standing Committee on Public Accounts and three (3) staff persons of the Committee to travel to St. John's, Newfoundland, to attend the Twenty-Second Annual Conference of the Canadian Council of Public Accounts Committees from August 25 to 27, 2002, and that the members attending the Conference utilize their air travel points to travel to the Conference.

b) - That the travel budget in the amount of \$ 17,830 to attend the Twenty-Second Annual Conference of the Canadian Council of Public Accounts Committees from August 24, to 27, 2002 in St. John's, Newfoundland be adopted.

The question being put on Recommendation 1, it was agreed to.

The question being put on Recommendation 2 (a) it was agreed to.

The question being put on Recommendation 2 (b) it was agreed to.

It was agreed, - That the SIXTH REPORT of the Sub-Committee on Agenda and Procedure be concurred in.

At 5:15 p.m., the Committee until 3:30 p.m., Thursday, April 25, 2002.

Santosh Sirpaul

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 50

Thursday, April 26, 2002

ORDERS OF THE DAY:

Study of Order of Reference dated Tuesday, February 28, 2002 is as follows: Main Estimates 2002-2003: vote 20 under FINANCE (Office of the Auditor General) and Part III – Report on Plans and Priorities relating to 2002-2003

Study of Chapter 13 – Other Audit Observations (Parc Downsview Park Inc.) of the December 2001 Report of the Auditor General of Canada

WITNESSES:

Office of the Auditor General of Canada:

Sheila Fraser, Auditor General of Canada;

Johanne Gélinas, Commissioner of the Environment and Sustainable Development;

Michael McLaughlin, Deputy Auditor General.





MINUTES OF PROCEEDINGS

Meeting No. 50

Thursday, April 25, 2002

The Standing Committee on Public Accounts met at 3:38 p.m. this day, in Room 209, West Block, the Chair, John Williams, presiding.

Members of the Committee present: Robert Bertrand, John Bryden, John Finlay, Sophia Leung, Philip Mayfield, Beth Phinney, Alex Shepherd and John Williams.

Acting Members present: Gérard Asselin for Odina Desrochers and Val Meredith for Rahim Jaffer.

Associate Member present: Val Meredith.

Other Member present: Joe McGuire.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Research Officers.

Witnesses: From the Office of the Auditor General: Sheila Fraser, Auditor General of Canada; Michael McLaughlin, Deputy Auditor General; Johanne Gélinas, Commissioner of the Environment and Sustainable Development.

Pursuant to Standing Order 81(4), the Committee proceeded to consider the Order of Reference dated Tuesday, February 28, 2002 is as follows: Main Estimates 2002-2003: Vote 20 under FINANCE (Office of the Auditor General) and Part III - Report on Plans and Priorities relating to 2002-2003.

The witnesses made statements and answered questions.

Vote 20 under FINANCE carried.

ORDERED, - That the Chair report Vote 20 under FINANCE to the House as being the NINETEENTH REPORT of the Standing Committee on Public Accounts.

At 5:10 p.m., the sitting was suspended.

At 5:16 p.m., the sitting resumed *in camera*.

Pursuant to Standing Order 108(3)(e), the Committee resumed consideration of Chapter 13 - Other Audit Observations (Parc Downsview Park Inc.) of the December 2001 Report of the Auditor General of Canada. (See Minutes of Proceedings of April 9, 2001, meetings Nos. 46 and 47)

It was agreed, - That the motion of John Bryden, tabled and allowed to stand at the meeting held on Thursday, April 11, 2002, be considered.

It was agreed, - That this Committee recall the witnesses that appeared before the Public Accounts Committee on April 9, 2002.

At 5:27 p.m., the Committee adjourned to the call of the Chair.

Richard Rumas

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 51

Tuesday, April 30, 2002

ORDER OF THE DAY:

Study of Chapter 4 (Voted Grants and Contributions: Government-Wide Management) and Chapter 5 (Voted Grants and Contributions: Program Management) of the December 2001 Report of the Auditor General of Canada

WITNESSES:

Office of the Auditor General of Canada:

Sheila Fraser, Auditor General of Canada.

Treasury Board of Canada Secretariat:

John Morgan, Executive Director, Financial Management and Accounting Policy Directorate;

Richard Neville, Deputy Comptroller General.





MINUTES OF PROCEEDINGS

Meeting No. 51

Tuesday, April 30, 2002

The Standing Committee on Public Accounts met at 3:32 p.m. this day, in Room 269, West Block, the Chair, John Williams, presiding.

Members of the Committee present: Robert Bertrand, John Bryden, Odina Desrochers, John Finlay, Sophia Leung, Philip Mayfield, Shawn Murphy, Beth Phinney, Alex Shepherd and John Williams.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Research Officers.

Witnesses: From the Office of the Auditor General: Sheila Fraser, Auditor General of Canada; Peter Simeoni, Principal. *From the Treasury Board of Canada Secretariat:* Richard Neville, Deputy Comptroller General; John Morgan, Executive Director, Financial Management and Accounting Policy Directorate; Bruce Hirst, Senior Director, Financial Management and Accounting Policy Directorate.

Pursuant to Standing Order 108(3)(e), the Committee proceeded to consider Chapter 4 (Voted Grants and Contributions: Government-Wide Management) and Chapter 5 (Voted Grants and Contributions: Program Management) of the December 2001 Report of the Auditor General of Canada.

The witnesses made statements and answered questions.

At 5:03 p.m., the Committee adjourned to the call of the Chair.

Richard Rumas

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 52

Thursday, May 2, 2002

ORDER OF THE DAY:

Study of Chapter 8 (Canada Customs and Revenue Agency – Managing the Risks of Non-Compliance for Commercial Shipments Entering Canada) of the December 2001 Report of the Auditor General of Canada

WITNESSES:

Canada Customs and Revenue Agency:

Mike Jordan, Director General, Trade Policy and Interpretation Directorate;

Denis Lefebvre, Assistant Commissioner, Customs Branch.

Office of the Auditor General of Canada:

Sheila Fraser, Auditor General of Canada.



MINUTES OF PROCEEDINGS

Meeting No. 52

Thursday, May 2, 2002

The Standing Committee on Public Accounts met at 3:33 p.m. this day, in Room 308, West Block, the Chair, John Williams, presiding.

Members of the Committee present: Paul Forseth, Sophia Leung, Shawn Murphy, Gilles-A. Perron, Alex Shepherd and John Williams.

Acting Members present: Ivan Grose for John Finlay; Val Meredith for Rahim Jaffer and Claude Bachand for Odina Desrochers.

Associate Member present: Val Meredith.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Research Officers.

Witnesses: From the Office of the Auditor General: Sheila Fraser, Auditor General of Canada; James Hood, Principal; Lilian Goh, Director. *From the Canada Customs and Revenue Agency:* Denis Lefebvre, Assistant Commissioner, Customs Branch; Mike Jordan, Director General, Trade Policy and Interpretation Directorate.

Pursuant to Standing Order 108(3)(e), the Committee proceeded to consider Chapter 8 (Canada Customs and Revenue Agency - Managing the Risks of Non-Compliance for Commercial Shipments Entering Canada) of the December 2001 Report of the Auditor General of Canada.

The witnesses made statements and answered questions.

At 5:20 p.m., the Committee adjourned to the call of the Chair.

Richard Rumas

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 53

Tuesday, May 7, 2002

IN CAMERA





MINUTES OF PROCEEDINGS

Meeting No. 53

Tuesday, May 7, 2002

The Standing Committee on Public Accounts met *in camera* at 3:52 p.m. this day, in Room 308, West Block, the Chair, John Williams, presiding.

Members of the Committee present: Robert Bertrand, John Bryden, Odina Desrochers, Paul Forseth, Sophia Leung, Philip Mayfield, Beth Phinney, Alex Shepherd and John Williams.

Acting Member present: Val Meredith for Rahim Jaffer.

Associate Member present: Val Meredith.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal, Research Officer.

Pursuant to Standing Order 108(3)(e), the Committee resumed consideration of the draft Report on Chapter 10 (National Defence - In Service Equipment) of the December 2001 Report of the Auditor General of Canada. (See Minutes of proceedings of Thursday, February 21, 2002, meeting No. 41)

It was agreed, - That the Committee adopt the Report as the TWENTIETH REPORT of the Committee.

It was agreed, - That pursuant to Standing Order 109, the Committee request that the Government provide a comprehensive response to this Report.

It was agreed, - That the Chair be authorized to make such grammatical and editorial changes to the Report as may be necessary without changing the substance of the Report.

It was agreed, - That the Chair Table the TWENTIETH REPORT to the House.

It was agreed, - That a Press Release be issued.

Pursuant to Standing Order 108(3)(e), the Committee resumed consideration of the draft Report on Chapter 10 (Transport Canada - Airport Transfers: National Airports System) of the October 2000 Report of the Auditor General of Canada. (See Minutes of Proceedings of Tuesday, November 20, 2001, meeting No. 32)

It was agreed, - That the Auditor General be requested to review the safety and security aspects of airport operations.

It was agreed, - That the Committee adopt the Report, as amended, as the TWENTY-FIRST REPORT of the Committee.

It was agreed, - That pursuant to Standing Order 109, the Committee request that the Government provide a comprehensive response to this Report.

It was agreed, - That the Chair be authorized to make such grammatical and editorial changes to the Report as may be necessary without changing the substance of the Report.

It was agreed, - That the Chair Table the TWENTY-FIRST REPORT to the House.

It was agreed, - That a Press Release be issued.

Pursuant to Standing Order 108(3)(e), the Committee resumed consideration of the draft Report on Chapter 31 (Fisheries and Oceans - Fleet Management) of the December 2000 Report of the Auditor General of Canada. (See Minutes of Proceedings of Tuesday, October 23, 2001, meeting No. 27)

It was agreed, - That the Committee adopt the Report, as amended, as the TWENTY SECOND REPORT of the Committee.

It was agreed, - That pursuant to Standing Order 109, the Committee request that the Government provide a comprehensive response to this Report.

It was agreed, - That the Chair be authorized to make such grammatical and editorial changes to the Report as may be necessary without changing the substance of the Report.

It was agreed, - That the Chair Table the TWENTY-SECOND REPORT to the House.

It was agreed, - That a Press Release be issued.

At 4:52 p.m., the Committee adjourned to the call of the Chair.

Richard Rumas

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 54

Tuesday, May 21, 2002

ORDER OF THE DAY:

Study of Chapter 3 (Information Technology Security) of the April 2002 Report of the Auditor General of Canada

WITNESSES:

Office of the Auditor General of Canada:

Douglas Timmins, Assistant Auditor General.

Treasury Board of Canada Secretariat:

Anne Brennan, Director, Information and Security Policy Branch;

Michelle d'Auray, chief Information Officer, Chief Information Officer Branch;

John Weigelt, Director, IT Security and Public Key Infrastructure Policy, Chief Information Officer Branch.



**MINUTES OF PROCEEDINGS**

Meeting No. 54

Tuesday, May 21, 2002

The Standing Committee on Public Accounts met at 3:48 p.m. this day, in Room 209, West Block, the Chair, John Williams, presiding.

Members of the Committee present: Robert Bertrand, John Bryden, Odina Desrochers, John Finlay, Paul Forseth, Mac Harb, Sophia Leung, Pat Martin, Philip Mayfield, Shawn Murphy, Joe Peschisolido, Beth Pinney, Alex Shepherd and John Williams.

Acting Members present: Val Meredith for Rahim Jaffer; Ghislain Lebel for Gilles A. Perron; Gerald Keddy for Greg Thompson.

Associate Members present: Gerald Keddy and Val Meredith.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Research Officers.

Witnesses: From the Office of the Auditor General: Douglas Timmins, Assistant Auditor General; Cheng, Principal; Richard Brisebois, Director. *From the Treasury Board of Canada Secretariat:* Michelle d'Auray, Chief Information Officer, Chief Information Officer Branch; John Weigelt, Director, IT Security and Public Key Infrastructure Policy, Chief Information Officer Branch; Anne Brennan, Director, Information and Security Policy Division.

Pursuant to Standing Order 108(3)(e), the Committee proceeded to consider Chapter 3 (Information Technology Security) of the April 2002 Report of the Auditor General of Canada.

Pat Martin moved, - That the Public Accounts Committee hold one or more hearings into the Auditor General's Report on Groupaction Communications sponsorship contracts.

After debate, the question being put on the motion, it was agreed to.

Ghislain Lebel moved, - That the Standing Committee on Public Accounts examine the report made by the Auditor General to the Minister of Public Works and Government Services on three contracts awarded to the firm Groupaction, and hear from relevant witnesses, in particular Sheila Fraser, Auditor General of Canada; Jean Brault, President of Groupaction; Roger Desjeans, Vice-President for Marketing, Groupaction; Diane Donnelly, Corporate Affairs Director, Groupaction; Charles Guité, former PWGSC official; and Pierre Tremblay, official with the Canadian Food Inspection Agency.

After debate, it was agreed to refer the motion to the Sub-Committee on Agenda and Procedure.

The witnesses made statements and answered questions.

At 5:25 p.m., the Committee adjourned to the call of the Chair.

Richard Rumas

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 55

Thursday, May 23, 2002

ORDER OF THE DAY:

Consideration of the Motion of Beth Phinney, M.P., dated March 19, 2002, with regard to the Government Response to the 21st Report of the Public Accounts Committee on the Canadian Human Rights Commission and the Canadian Human Rights Tribunal of February 9, 1999

WITNESSES:

Canadian Human Rights Commission:

Murielle Brazeau, Deputy Secretary General, Operations

Michelle Falardeau-Ramsay, Chief Commissioner





Français

MINUTES OF PROCEEDINGS

Meeting No. 55

Thursday, May 23, 2002

The Standing Committee on Public Accounts met at 4:08 p.m. this day, in Room 308, West Block, the Chair, John Williams, presiding.

Members of the Committee present: Robert Bertrand, John Bryden, John Finlay, Mac Harb, Rahim Jaffer, Sophia Leung, Philip Mayfield, Joe Peschisolido, Beth Phinney, Alex Shepherd and John Williams.

Acting Members present: Ghislain Lebel for Odina Desrochers; Val Meredith for Paul Forseth; Raymond Simard for Shawn Murphy; Antoine Dubé for Gilles-A. Perron; Gerald Keddy for Greg Thompson.

Associate Members present: Gerald Keddy and Val Meredith.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Research Officers.

Witnesses: From the Canadian Human Rights Commission: Michelle Falardeau-Ramsay, Chief Commissioner; Murielle Brazeau, Deputy Secretary General, Operations.

Pursuant to Standing Order 108(3)(e), the Committee proceeded to consider the Motion of Beth Phinney, M.P., dated March 19, 2002, with regard to the Government Response to the 21st Report of the Public Accounts Committee on the Canadian Human Rights Commission and the Canadian Human Rights Tribunal of February 9, 1999.

The Chair presented the Seventh Report of the Sub-Committee on Agenda and Procedure which is as follows:

Pursuant to a motion of Pat Martin adopted by the Standing Committee on Tuesday, May 21, 2002, with respect to the Report of the Auditor General to the Minister of Public Works on Three contracts awarded to Groupaction,

It was agreed to recommend that the Auditor General report to the Committee for thirty minutes on this matter at the meeting already scheduled for Thursday, May 30, 2002 or on Tuesday, May 28, 2002.

The Report of the Sub-Committee was adopted.

Michelle Falardeau-Ramsay made a statement and with the other witness, answered questions.

At 5:28 p.m., the Committee adjourned to the call of the Chair.

Richard Rumas

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 56

Tuesday, May 28, 2002

IN CAMERA





MINUTES OF PROCEEDINGS

Meeting No. 56

Tuesday, May 28, 2002

The Standing Committee on Public Accounts met *in camera* at 3:34 p.m. this day, in Room 308, West Block, the Chair, John Williams, presiding.

Members of the Committee present: Robert Bertrand, John Bryden, Odina Desrochers, John Finlay, Paul Forseth, Mac Harb, Pat Martin, Philip Mayfield, Shawn Murphy, Beth Phinney, Alex Shepherd and John Williams.

Acting Member present: Val Meredith for Rahim Jaffer.

Associate Member present: Val Meredith.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Research Officers.

Pursuant to Standing Order 108(3)(e), the Committee commenced consideration of a draft report on Chapter 7 (Canada Customs and Revenue Agency - International Tax Administration: Non-Residents Subject to Canadian Income Tax) of the December 2001 Report of the Auditor General of Canada.

It was agreed, - That the Committee adopt the Report as the TWENTY-THIRD REPORT of the Committee.

It was agreed, - That pursuant to Standing Order 109, the Committee request that the Government provide a comprehensive response to this Report.

It was agreed, - That the Chair be authorized to make such grammatical and editorial changes to the Report as may be necessary without changing the substance of the Report.

It was agreed, - That the Chair Table the TWENTY-THIRD REPORT to the House.

It was agreed, - That a Press Release be issued.

Pursuant to Standing Order 108(3)(e), the Committee commenced consideration of a draft report on Chapter 2 (Recruitment for Canada's Future Public Service: Changing the System) and Chapter 3 (Recruitment for Canada's Future Public Service: Changing the Practices) of the December 2001 Report of the Auditor General of Canada.

It was agreed, - That the Committee adopt the Report as the TWENTY-FOURTH REPORT of the Committee.

It was agreed, - That pursuant to Standing Order 109, the Committee request that the Government provide a comprehensive response to this Report.

It was agreed, - That the Chair be authorized to make such grammatical and editorial changes to the Report as may be necessary without changing the substance of the Report.

It was agreed, - That the Chair Table the TWENTY-FOURTH REPORT to the House.

It was agreed, - That a Press Release be issued.

Pursuant to Standing Order 108(3)(e), the Committee commenced consideration of a draft report on Chapter 13 Other Audit Observations (Heating fuel rebate) of the December 2001 Report of the Auditor General of Canada.

At 4:51 p.m., the Committee adjourned to the call of the Chair.

Richard Rumas

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 57

Thursday, May 30, 2002

ORDER OF THE DAY:

Consideration of the Report of the Auditor General of Canada dated May 8, 2002 on
Groupaction Communications

WITNESSES:

Department of Health:

Patrick Borbey, Assistant Deputy Minister, Corporate Services Branch;

Scott Broughton, Assistant Deputy Minister.

Department of Public Works and Government Services:

Jane Billings, Assistant Deputy Minister, Supply Operations Branch;

Michael Nurse, Associate Deputy Minister.

Office of the Auditor General of Canada:

Sheila Fraser, Auditor General of Canada.





Français

MINUTES OF PROCEEDINGS

Meeting No. 57

Thursday, May 30, 2002

The Standing Committee on Public Accounts met in a televised session at 3:30 p.m. this day, in Room 308, West Block, the Chair, John Williams, presiding.

Members of the Committee present: Robert Bertrand, John Bryden, John Finlay, Paul Forseth, Mac Harb, Sophia Leung, Pat Martin, Philip Mayfield, Shawn Murphy, Beth Phinney, Alex Shepherd and John Williams.

Acting Members present: Alan Tonks for Joe Peschisolido; Cheryl Gallant and Val Meredith for Rahim Jaffer; Ghislain Lebel for Odina Desrochers; Serge Cardin for Gilles-A. Perron; Gerald Keddy for Greg Thompson.

Associate Members present: Serge Cardin, Cheryl Gallant, Gerald Keddy and Val Meredith.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Research Officers.

Witnesses: From the Office of the Auditor General: Sheila Fraser, Auditor General of Canada; Ronald Campbell, Principal. *From the Department of Health:* Scott Broughton, Assistant Deputy Minister, Population and Public Health Branch; Patrick Borbey, Assistant Deputy Minister, Corporate Services Branch. *From the Department of Public Works and Government Services:* Michael G. Nurse, Associate Deputy Minister; Jane Billings, Assistant Deputy Minister, Supply Operations Service Branch; Michel Rancourt, Senior Director, Science Procurement Directorate.

Pursuant to Standing Order 108(3)(e), the Committee commenced consideration of the Report of the Auditor General of Canada dated May 8, 2002 on Groupaction Communications.

Sheila Fraser made a statement and answered questions.

At 4:03 p.m., the sitting was suspended.

At 4:10 p.m., the sitting resumed in regular session.

John Bryden moved, - That this Committee request the appearance of the officials suggested by the Auditor General by her testimony in the Groupaction investigation.

After debate, it was agreed, - That the motion be allowed to stand until the next meeting of the Committee.

Pat Martin moved, - That the Public Accounts Committee recommend that the President of the Treasury Board announce a general amnesty for any public servant willing to come forward with information

regarding Groupaction sponsorship contracts.

After debate, the question being put on the motion, it was negatived.

Pursuant to Standing Order 108(3)(e), the Committee commenced consideration of Chapter 8 - Other Audit Observations (Health Canada and Public Works and Government Services Canada) of the April 2002 Report of the Auditor General of Canada.

By unanimous consent, it was agreed, - That the opening statements of the officials from the Department of Public Works and Government Services and the Department of Health be taken as read and published into today's Evidence.

The witnesses made statements and answered questions.

At 5:30 p.m., the Committee adjourned to the call of the Chair.

Richard Rumas

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 58

Tuesday, June 4, 2002

ORDER OF THE DAY:

Study of Chapter 13 – Other Audit Observations (Parc Downsview Park Inc.) of the December 2001 Report of the Auditor General of Canada

WITNESSES:

Canada Lands Company Ltd:

Kathy Milsom, President and Chief Executive Officer.

House of Commons:

Rob Walsh, Law Clerk and Parliamentary Counsel, Legal Services.

Office of the Auditor General of Canada:

Sheila Fraser, Auditor General of Canada;

Shahid Minto, Assistant Auditor General of Canada.

Parc Downsview Park Inc:

Tony Genco, Acting President.

Privy Council Office:

Richard Fadden, Deputy Clerk, Counsel and Security and Intelligence Coordinator.





MINUTES OF PROCEEDINGS

Meeting No. 58

Tuesday, June 4, 2002

The Standing Committee on Public Accounts met at 3:40 p.m. this day, in Room 308, West Block, the Chair, John Williams, presiding.

Members of the Committee present: Robert Bertrand, John Bryden, John Finlay, Paul Forseth, Mac Harb, Sophia Leung, Pat Martin, Philip Mayfield, Shawn Murphy, Gilles-A. Perron, Joe Peschisolido, Beth Phinney, Alex Shepherd, Greg Thompson and John Williams.

Acting Members present: Val Meredith for Rahim Jaffer; Ghislain Lebel for Odina Desrochers.

Associate Member present: Val Meredith.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Research Officers.

Witnesses: From the House of Commons: Rob Walsh, Law Clerk and Parliamentary Counsel. *From the Office of the Auditor General:* Sheila Fraser, Auditor General of Canada; Shahid Minto, Assistant Auditor General; Louise Bertrand, Director. *From the Privy Council Office:* Richard B. Fadden, Deputy Clerk, Counsel and Security and Intelligence Coordinator. *From the Canada Lands Company Ltd.:* Kathy Milsom, President and Chief Executive Officer. *From the Parc Downsview Park Inc.:* Tony Genco, Acting President.

The Chair presented the EIGHT REPORT of the Sub-Committee on Agenda and Procedure which is as follows:

The Sub-Committee met on Tuesday, June 4, 2002 and agreed to make the following recommendations:

- That the Committee invite representatives of Customs Excise Union and Mr. Rob Wright, Commissioner of the Canada Customs and Revenue Agency to a meeting on Chapter 8 (Canada Customs and Revenue Agency – Managing the Risks of Non-Compliance for Commercial Shipments Entering Canada) of the December 2001 Report of the Auditor General of Canada.
- That in relation to the letter dated May 14, 2002 from Richard J. Neville, Deputy Comptroller General, concerning waivers to the publication of details related to ex gratia payments relating to Indian Residential Schools, that an annual waiver be given to Treasury Board provided that the gross amount and the total number of claims settled are reported to Parliament.
- That concerning the matter of the protection of witnesses, the Law Clerk and Parliamentary Counsel be invited to appear.

After debate, recommendation 1 was negatived.

Recommendations 2 and 3 carried.

Rob Walsh made a statement and answered questions.

The Committee resumed consideration of the motion of John Bryden.

- That this Committee request the appearance of the officials suggested by the Auditor General by his testimony in the Groupaction investigation.

After debate, the question being put on the motion, it was, by a show of hands, agreed to. YEAS: 11; NAYS:

Greg Thompson moved, - That Ranald Quail be requested to appear before the Committee.

After debate, the question being put on the motion, it was agreed to on the following recorded division:

YEAS:

John Bryden

Sophia Leung

Shawn Murphy

Beth Phinney

Paul Forseth

Val Meredith

Philip Mayfield

Ghislain Lebel

Gilles A. Perron

Pat Martin

Greg Thompson : --11

NAYS:

Robert Bertrand

John Finlay

Mac Harb

Joe Peschisolido

Alex Shepherd: -- 5

Beth Phinney moved, - That the Committee defer further consideration of witnesses until after the five witnesses agreed to have appeared.

And debate arising thereon.

Pat Martin moved, - That the motion be amended by adding the words “and Norm Steinberg” after the words “five witnesses agreed to”.

After debate, the question being put on the amendment, it was negatived on the following recorded division:

YEAS:

Paul Forseth

Val Meredith

Philip Mayfield

Ghislain Lebel

Gilles A. Perron

Pat Martin

Greg Thompson: -- 7

NAYS:

Robert Bertrand

John Bryden

John Finlay

Mac Harb

Sophia Leung

Shawn Murphy

Joe Peschisolido

Beth Phinney

Alex Shepherd: -- 9

And the question being put on the motion, it was agreed to on the following recorded division:

YEAS:

Robert Bertrand

John Bryden

Mac Harb

Shawn Murphy

Joe Peschisolido

Beth Phinney

Alex Shepherd

Paul Forseth

Val Meredith

Philip Mayfield: -- 10

NAYS:

John Finlay

Sophia Leung

Ghislain Lebel

Gilles A. Perron

Pat Martin

Greg Thompson: -- 6

At 4:31 a.m., the sitting was suspended.

At 4:39 p.m., the sitting resumed.

Pursuant to Standing Order 108(3)(e), the Committee resumed consideration of Chapter 13 - Other Audit Observations (Parc Downsview Park Inc.) of the December 2001 Report of the Auditor General of Canada. (Minutes of Proceedings of meeting No. 46)

By unanimous consent, it was agreed, - That the opening statements of the witnesses appearing on Chapter 3 - Other Audit Observations (Parc Downsview Park Inc.) of the December 2001 Report of the Auditor General of Canada be taken as read and published into today's Evidence.

The witnesses answered question.

At 5:33 p.m., the Committee adjourned to the call of the Chair.

Richard Rumas

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 59

Thursday, June 6, 2002

ORDER OF THE DAY:

Consideration of the Report of the Auditor General of Canada dated May 8, 2002 on
Groupaction Communications

WITNESSES:

Communication Canada:

Guy McKenzie, Executive Director.

Department of Public Works and Government Services:

Janice Cochrane, Deputy Minister.

House of Commons:

Rob Walsh, Law Clerk and Parliamentary Counsel.

Office of the Auditor General:

Sheila Fraser, Auditor General of Canada.





Français

MINUTES OF PROCEEDINGS

Meeting No. 59

Thursday, June 6, 2002

The Standing Committee on Public Accounts met in a televised session at 3:33 p.m. this day, in Room 253-D, Centre Block, the Chair, John Williams, presiding.

Members of the Committee present: John Bryden, John Finlay, Mac Harb, Sophia Leung, Pat Martin, Philip Mayfield, Shawn Murphy, Joe Peschisolido, Beth Phinney, Alex Shepherd, Greg Thompson and John Williams.

Acting Members present: Val Meredith for Rahim Jaffer; Ghislain Lebel for Gilles A. Perron.

Associate Member present: Val Meredith.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Research Officers.

Witnesses: From the House of Commons: Rob Walsh, Law Clerk and Parliamentary Counsel. *From the Office of the Auditor General:* Sheila Fraser, Auditor General of Canada. *From the Department of Public Works and Government Services:* Janice Cochrane, Deputy Minister. *From the Communication Canada:* Guy Mc-Kenzie, Executive Director, Communications Canada.

Pursuant to Standing Order 108(3)(e), the Committee resumed consideration of the Report of the Auditor General of Canada dated May 8, 2002 on Groupaction Communications. (See Minutes of Proceedings of Thursday, May 30, 2002, meeting No 57)

Rob Walsh made a statement.

Janice Cochrane and Guy Mc Kenzie made statements.

The witnesses answered questions.

At 5:29 p.m., the Committee adjourned to the call of the Chair.

Richard Rumas

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 60

Tuesday, June 11, 2002

ORDER OF THE DAY:

Consideration of Chapter 1 (Financial Information Strategy: Infrastructure Readiness) of the December 2001 Report of the Auditor General of Canada; and consideration of Chapter 7 (Strategies to Implement Modern Comptrollership) of the April 2002 Report of the Auditor General of Canada

WITNESSES:

Office of the Auditor General of Canada:

Sheila Fraser Auditor General of Canada;
John Wiersema, Assistant Auditor General.

Treasury Board of Canada Secretariat:

Richard Neville, Deputy Comptroller General;
Roberta Santi, Associate Deputy Comptroller General.





Français

MINUTES OF PROCEEDINGS

Meeting No. 60

Tuesday, June 11, 2002

The Standing Committee on Public Accounts met at 3:32 p.m. this day, in Room 209, West Block, the Vice-Chair, Mac Harb, presiding.

Members of the Committee present: John Bryden, John Finlay, Mac Harb, Sophia Leung, Philip Mayfield, Shawn Murphy, Gilles-A. Perron, Joe Peschisolido, Alex Shepherd and Greg Thompson.

Acting Member present: Val Meredith for Rahim Jaffer.

Associate Member present: Val Meredith.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Research Officers.

Witnesses: From the Office of the Auditor General: Sheila Fraser, Auditor General of Canada; Douglas Timmins, Assistant Auditor General; John Wiersema, Assistant Auditor General. From Treasury Board of Canada Secretariat: Richard Neville, Deputy Comptroller General; Roberta Santi, Associate Deputy Comptroller General, Comptrollership Branch; Ivan Blake, Executive Director, Comptrollership Modernization Directorate, Comptrollership Branch. From the Department of Finance: Peter DeVries, Director, Fiscal Policy Division, Economic and Fiscal Policy Division.

Pursuant to Standing Order 108(3)(e), the Committee proceeded to consider Chapter 1 (Financial Information Strategy: Infrastructure Readiness) of the December 2001 Report of the Auditor General of Canada; and Pursuant to Standing Order 108(3)(e), Consideration of Chapter 7 (Strategies to Implement Modern Comptrollership) of the April 2002 Report of the Auditor General of Canada.

Sheila Fraser and Richard Neville made statements.

On motion of Philip Mayfield, it was agreed, - That in relation to the letter dated May 14, 2002 from Richard J. Neville, Deputy Comptroller General, concerning waivers to the publication of details related to ex gratia payments relating to Special Benefits to Merchant Navy Veterans and of heating fuel rebates, that an annual waiver be given to Treasury Board provided that the gross amounts and the total number of claims are reported to Parliament.

The witnesses answered questions.

At 5:15 p.m., the Committee adjourned to the call of the Chair.

Richard Rumas

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 61

Thursday, June 13, 2002

ORDER OF THE DAY:

Study of Report of the Auditor General of Canada dated May 8, 2002 on Groupaction Communications

WITNESSES:

House of Commons:

Rob Walsh, Law Clerk and Parliamentary Counsel.

Office of the Auditor General of Canada:

Shahid Minto, Assistant Auditor General.

Privy Council Office:

Ronald Quail, Former Deputy Minister of Public Works and Government Services.





MINUTES OF PROCEEDINGS

Meeting No. 61

Thursday, June 13, 2002

The Standing Committee on Public Accounts met 11:33 a.m. this day, in Room 209, West Block, the Chair, John Williams, presiding.

Members of the Committee present: Robert Bertrand, John Bryden, Odina Desrochers, John Finlay, Mac Harb, Sophia Leung, Philip Mayfield, Shawn Murphy, Joe Peschisolido, Beth Phinney, Alex Shepherd, Greg Thompson and John Williams.

Acting Members present: Val Meredith for Rahim Jaffer; Monte Solberg for Paul Forseth; Ghislain Lebel for Gilles-A. Perron; Dick Proctor for Pat Martin; Paul Macklin for John Finlay; Dennis Mills for Robert Bertrand; Tony Tirabassi for Robert Bertrand.

Associate Members present: Val Meredith and Monte Solberg.

Other Member present: Marlene Jennings.

In attendance: From the House of Commons: Rob Walsh, Law Clerk and Parliamentary Counsel. *From the Parliamentary Research Branch of the Library of Parliament:* Brian O'Neal and Jean Dupuis, Research Officers.

Witnesses: From the Office of the Auditor General: Shahid Minto, Assistant Auditor General. *From the Privy Council Office:* Ranald Quail, Former Deputy Minister, Public Works and Government Services.

Pursuant to Standing Order 108(3)(e), the Committee resumed consideration of the Report of the Auditor General of Canada dated May 8, 2002 on Groupaction Communications. (See Minutes of Proceedings of Thursday, May 30, 2002, Meeting No. 57 and of Thursday, June 6, 2002, Meeting No. 59)

Ranald Quail made a statement and, with Shahid Minto, answered questions.

Beth Phinney moved, - That the meeting continue *in camera*.

After debate, the question being put on the motion, it was negatived by a show of hands. YEAS: 6; NAYS: 9.

At 12:46 p.m., Beth Phinney moved, - That Charles Guité be summoned to appear before the Committee at 3:30 p.m. on Tuesday, June 18, 2002.

And debate arising thereon.

By unanimous consent, it was agreed, - That the motion be amended by deleting all the words after the

word "Committee" and replacing them with the following:

"at a time, date and location to be determined by the Chair and the Clerk of the Committee, in consultation with the Law Clerk and Parliamentary Counsel."

The motion, as amended, was agreed to on the following recorded division:

YEAS:

Tony Tirabassi

John Bryden

Sophia Leung

Shawn Murphy

Joe Peschisolido

Beth Phinney

Alex Shepherd

Monte Solberg

Val Meredith

Philip Mayfield

Odina Desrochers

Ghislain Lebel

Dick Proctor

Greg Thompson: -- 14

NAYS:

Paul Macklin

Mac Harb: -- 2

It was agreed, - That Pierre Tremblay and Charles Guité appear at separate meetings and that the meetings be held *in camera*.

At 1:06 p.m., the Committee adjourned to the call of the Chair.

Richard Rumas

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 62

Tuesday, June 18, 2002

IN CAMERA





MINUTES OF PROCEEDINGS

Meeting No. 62

Tuesday, June 18, 2002

The Standing Committee on Public Accounts met *in camera* at 3:38 p.m. this day, in Room 209, West Block, the Vice-Chair, Beth Phinney, presiding.

Members of the Committee present: Robert Bertrand, John Bryden, Odina Desrochers, Rahim Jaffer, Sophia Leung, Philip Mayfield, Beth Phinney and Alex Shepherd.

Acting Members present: Mark Assad for John Finlay; John Harvard for Mac Harb; Joe McGuire for Shawn Murphy; Val Meredith for Paul Forseth; Ghislain Lebel for Gilles-A. Perron; Gerald Keddy for Greg Thompson.

Associate Members present: Gerald Keddy and Val Meredith.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Research Officers.

Pursuant to Standing Order 108(3)(e), the Committee resumed consideration of a draft report on Chapter 13 - Other Audit Observations (Heating fuel rebate) of the December 2001 Report of the Auditor General of Canada. (See Minutes of Proceedings of Tuesday, May 28, 2002, meeting No. 56)

It was agreed, - That the Committee adopt the Report as the TWENTY-FIFTH REPORT of the Committee.

It was agreed, - That pursuant to Standing Order 109, the Committee request that the Government provide a comprehensive response to this Report.

It was agreed, - That the Chair be authorized to make such grammatical and editorial changes to the Report as may be necessary without changing the substance of the Report.

It was agreed, - That the Chair Table the TWENTY-FIFTH REPORT to the House.

It was agreed, - That a Press Release be issued.

Pursuant to Standing Order 108(3)(e), the Committee commenced consideration of a draft report on Chapter 13 - Other Audit Observations (Human Resources Development Canada and the Canada Employment Insurance Commission) of the December 2001 Report of the Auditor General of Canada.

It was agreed, - That the Committee adopt the Report as the TWENTY-SIXTH REPORT of the Committee.

It was agreed, - That pursuant to Standing Order 109, the Committee request that the Government provide a comprehensive response to this Report.

It was agreed, - That the Chair be authorized to make such grammatical and editorial changes to the Report as may be necessary without changing the substance of the Report.

It was agreed, - That the Chair Table the TWENTY-SIXTH REPORT to the House.

It was agreed, - That a Press Release be issued.

It was agreed, on division, - That the Evidence from the meetings of the Standing Committee on Public Accounts scheduled to hear the testimony of Pierre Tremblay and Charles Guité be made public three years from the date the meeting, if criminal charges have not been laid, or after all court proceedings, including appeals, if criminal charges are laid.

At 4:25 p.m., the Committee adjourned to the call of the Chair.

Richard Rumas

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 63

Tuesday, July 9, 2002

IN CAMERA





MINUTES OF PROCEEDINGS

Meeting No. 63

Tuesday, July 9, 2002

The Standing Committee on Public Accounts met *in camera* at 10:08 a.m. this day, in Room 371, West Block, the Chair, John Williams, presiding.

Members of the Committee present: Robert Bertrand, John Bryden, Odina Desrochers, Mac Harb, Pat Martin, Philip Mayfield, Shawn Murphy, Joe Peschisolido, Beth Phinney, Alex Shepherd and John Williams.

Acting Members present: Joe Jordon for John Finlay; Marcel Proulx for Sophia Leung; Gerry Ritz for Paul Forseth; Val Meredith for Rahim Jaffer; Ghislain Lebel for Gilles-A. Perron; Peter MacKay for Greg Thompson.

Associate Members present: Peter MacKay, Val Meredith and Gerry Ritz.

Other Member present: Serge Maril.

In attendance: From the House of Commons: Rob Walsh, Law Clerk and Parliamentary Counsel; Greg Tardi, Legislative Counsel. *From the Parliamentary Research Branch of the Library of Parliament:* Brian O'Neal and Jean Dupuis, Research Officers.

Also in attendance: Marino Mendo, Legal Counsel to Pierre Tremblay.

Witnesses: From the Office of the Auditor General: Sheila Fraser, Auditor General of Canada. *As Individual:* Pierre Tremblay, Former Acting Executive Director, Communications Coordination Services, Department of Public Works and Government Services.

Pursuant to Standing Order 108(3)(e), the Committee resumed consideration of the Report of the Auditor General of Canada dated May 8, 2002 on Groupaction Communications. (See Minutes of Proceedings of Thursday, May 30, 2002, Meeting No. 57; Thursday, June 6, 2002, Meeting No. 59; Thursday, June 13, 2002, Meeting No. 61)

The witnesses answered questions.

It was agreed, - That the Committee request that the Department of Public Works and Government Services provide a copy of the letter dated October 3, 1999 from Pierre Tremblay to private agencies concerning the operation of the Sponsorship Program.

At 12:19 p.m., the Committee adjourned to the call of the Chair.

Richard Rumas

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 64

Tuesday, July 9, 2002

IN CAMERA





MINUTES OF PROCEEDINGS

Meeting No. 64

Tuesday, July 9, 2002

The Standing Committee on Public Accounts met *in camera* at 4:02 p.m. this day, in Room 371, West Block, the Chair, John Williams, presiding.

Members of the Committee present: Robert Bertrand, John Bryden, Odina Desrochers, Mac Harb, Pat Martin, Philip Mayfield, Shawn Murphy, Joe Peschisolido, Beth Phinney, Alex Shepherd and John Williams.

Acting Members present: Joe Jordan for John Finlay; Gerry Ritz for Paul Forseth; Marcel Proulx for Sophia Leung; Val Meredith for Rahim Jaffer, Karen Redman for Beth Phinney; Ghislain Lebel for Gilles-A. Perron; Peter MacKay for Greg Thompson.

Associate Members present: Peter MacKay, Val Meredith and Gerry Ritz.

Other Members present: Serge Marcil and Karen Redman.

In attendance: From the House of Commons: Rob Walsh, Law Clerk and Parliamentary Counsel; Greg Tardi, Legislative Counsel. *From the Parliamentary Research Branch of the Library of Parliament:* Brian O'Neal and Jean Dupuis, Research Officers.

Also in attendance: Michael Edelson, Legal Counsel to Charles Guité.

Witnesses: From the Office of the Auditor General: Sheila Fraser, Auditor General of Canada. *As Individual:* Charles Guité, Former Executive Director, Communications Coordination Services, Department of Public Works and Government Services.

Pursuant to Standing Order 108(3)(e), the Committee resumed consideration of the Report of the Auditor General of Canada dated May 8, 2002 on Groupaction Communications. (See Minutes of Proceedings of Thursday, May 30, 2002, Meeting No. 57; Thursday, June 6, 2002, Meeting No. 59; Thursday, June 13, 2002, Meeting No. 61; Tuesday, July 9, 2002, Meeting No. 63)

Charles Guité made a statement.

The witnesses answered questions.

At 6:03 p.m., the sitting was suspended.

At 6:12 p.m., the sitting resumed *in camera*.

The Committee proceeded to the consideration of future witnesses.

It was agreed, - That no further witnesses be called until after the Auditor General's and Royal Canadian Mounted Police investigations have been completed.

At 6:36 p.m., the Committee adjourned to the call of the Chair.

Richard Rumas

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 1st SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 65

Thursday, July 25, 2002

ORDER OF THE DAY:

Consideration of a letter dated Wednesday, July 17, 2002 signed by Four Members requesting to convene a meeting





Français

MINUTES OF PROCEEDINGS

Meeting No. 65

Thursday, July 25, 2002

The Standing Committee on Public Accounts met in a televised session at 10:08 a.m. this day, in Room 160-S, Centre Block, the Chair, John Williams, presiding.

Members of the Committee present: John Bryden, Mac Harb, Pat Martin, Philip Mayfield, Joe Peschisolido, Greg Thompson, John Williams.

Acting Members present: Val Meredith for Rahim Jaffer; Paul Macklin for Shawn Murphy; John O'Reilly for Robert Bertrand; Joe Jordan for Alex Shepherd; David Pratt for Beth Phinney; Alan Tonks for John Finlay; Marcel Proulx for Sophie Leung; Ghislain Lebel for Odina Desrochers.

In attendance: From the Library of Parliament: Brian O'Neal, Research Officer.

Pursuant to Standing Order 106(3), the Committee proceeded to the consideration of a letter dated Wednesday, July 17, 2002, signed by Four Members requesting to convene a meeting.

Philip Mayfield moved, - That the Committee hold meetings to investigate the issuing of government contracts to Groupe Everest Inc., Lafleur Communications, Media TDA Vision Inc., Les Éditions Polygone Inc., Communications Coffin Ltd., as well as any government contracts funnelled through a third party, and that witnesses be called.

And debate arise thereon.

The question being put on the motion, it was negatived on the following division:

YEAS:

Val Meredith

Philip Mayfield

Ghislain Lebel

Pat Martin

Greg Thompson -5

NAYS:

John O'Reilly

John Bryden

Alan Tonks

Mac Harb

Marcel Proulx

Paul Macklin

Joe Peschisolido

David Pratt - 8

Philip Mayfield and Greg Thompson gave Notices of motion which were referred to the Sub-Committee on Agenda and Procedure.

At 11:27 a.m., the Committee adjourned to the call of the Chair.

Richard Rumas

Clerk of the Committee

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HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 2nd SESSION

MINUTES OF PROCEEDINGS

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on

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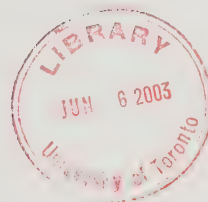
Chair: John Williams, CA

Meeting No. 1

Thursday, November 7, 2002

ORDER OF THE DAY:

Election of a Chair and Vice-Chairs





MINUTES OF PROCEEDINGS

Meeting No. 1

Thursday, November 7, 2002

Standing Committee on Public Accounts met at 9:05 a.m. this day, in Room 237-C, Centre Block.

Members of the Committee present: John Bryden, Odina Desrochers, John Finlay, Paul Forseth, Mac Harb, Gerald Dy, Philip Mayfield, Val Meredith, Gilles-A. Perron, Joe Peschisolido, Beth Phinney, Alex Shepherd and John Williams.

Guest Members present: Geoff Regan for Robert Bertrand; Jacques Saada for Sophia Leung; Derek Lee for Shawn Murphy; Yvon Godin for Pat Martin.

Pursuant to Standing Order 106(1) and (2); Election of a Chair and Vice-Chairs.

The Clerk of the Committee presided over the election of the Chair and the Vice-Chairs.

On the motion of Mac Harb, it was agreed, - That John Williams do take the Chair of this Committee as Chair.

Mac Harb moved - That Beth Phinney be elected Vice-Chair of the Committee.

Val Meredith moved, - That Shawn Murphy be elected Vice-Chair of the Committee.

Joe Peschisolido moved, - That Mac Harb be elected Vice-Chair of the Committee.

Paul Forseth moved, - That Robert Bertrand be elected Vice-Chair of the Committee.

Pursuant to Standing Order 106(3), the Committee proceeded to a secret ballot for the election of the first government Vice-Chair.

On the ballots having been counted, Beth Phinney was declared elected Vice-Chair of the Committee.

Odina Desrochers moved, - That Shawn Murphy be elected Vice-Chair of the Committee.

John Williams moved, - That Mac Harb be elected Vice-Chair of the Committee.

Val Meredith moved, - That Robert Bertrand be elected Vice-Chair of the Committee.

Pursuant to Standing Order 106(3), the Committee proceeded to a secret ballot for the election of the second government Vice-Chair.

On the ballots having been counted, Mac Harb was declared elected Vice-Chair of the Committee.

John Williams took the Chair.

Mac Harb moved, - That routine motions be dealt with at the next sitting of the Committee.

After debate, the motion was agreed to by a show of hands: YEAS: 9; NAYS 7.

At 9:33 a.m., the Committee adjourned to the call of the Chair.

Richard Rumas

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 2nd SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 2

Tuesday, November 19, 2002

ORDER OF THE DAY:

The Committee proceeded to its Business (Routine Motions)



Français

MINUTES OF PROCEEDINGS

Meeting No. 2

Tuesday, November 19, 2002

The Standing Committee on Public Accounts met at 3:31 p.m. this day, in Room 371, West Block, the Chair, John Williams, presiding.

Members of the Committee present: Robert Bertrand, John Bryden, Odina Desrochers, John Finlay, Pat Martin, Philip Mayfield, Val Meredith, Shawn Murphy, Beth Phinney, Alex Shepherd and John Williams.

Acting Members present: Laurence MacAulay for John Bryden; Maria Minna for Mac Harb; Raymond Simard for Joe Peschisolido and Laurence MacAulay for Sophia Leung.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Analysts.

The Committee proceeded to its Business (Routine Motions).

Shawn Murphy moved, - That the Chair, the two Vice-Chairs, an additional Liberal member and a representative of each of the Bloc Québécois, the New Democratic Party and the Progressive Conservative Party do compose the Sub-Committee on Agenda and Procedure.

Val Meredith moved, - That the motion be amended by adding after the words "each of" the following:

"the Canadian Alliance,"

After debate, the question being put on the amendment, it was negatived by show of hands. YEAS: 4; NAYS 7.

The motion was carried by a show of hands. YEAS: 8; NAYS 3.

On motion of John Finlay, it was agreed, - That the Committee retain the services of one or more Analysts from the Library of Parliament, as needed, to assist the Committee in its work, at the discretion of the Chair.

On motion of Beth Phinney, it was agreed, - That the Chair be authorized to hold meetings to receive evidence when a quorum is not present provided that at least five (5) members are present including three (3) government members and two (2) members of the opposition.

Alex Shepperd moved, - That in the absence of a reduced quorum of five (5) members, the Chair be authorized to call the meeting to order to hear evidence no sooner than 15 minutes after the time indicated on the notice provided that three (3) members are present.

Val Meredith moved, - That the motion be amended by adding after the words "three (3) members are present" the following:

"including one member of the Opposition".

And debate arising thereon,

Beth Phinney moved, - That the amendment be amended by adding the words:

"and a member of the government".

By unanimous consent, it was agreed to combine the amendment and sub-amendment.

The amendment was agreed to.

The motion, as amended, carried.

On motion of Philip Mayfield, it was agreed, - That the witnesses be given five (5) minutes to make their opening statement and if they have additional information, it should be deposited with the Clerk of the Committee, and that during the questioning of the witnesses, there be allocated eight (8) minutes for the first questioner of each party and that thereafter four (4) minutes be allocated to each subsequent questioner, at the discretion of the Chair.

On motion of Val Meredith, it was agreed, - That, as established by the Board of Internal Economy and if requested, reasonable travelling, accommodation, and living expenses be reimbursed to witnesses who are invited to appear before the Committee up to a maximum of 2 representatives for any organization.

On motion of John Finlay, it was agreed, - That the Committee authorize the Chair, from time to time, as the need arises, to take, in conjunction with the Clerk of the Committee the appropriate measures to provide lunches for the Committee and its Sub-committees, for working purposes, and that the cost of these lunches/dinners be charged to the budget of the Committee.

On motion of Robert Bertrand, it was agreed, - That the Clerk of the Committee be authorized to distribute documents received from the public only after they have been translated and made available in both official languages.

Beth Phinney moved, - That unless there is unanimous consent, forty-eight (48) hours' notice must be given to the members of the Committee before ANY SUBSTANTIVE MOTION is considered by the Committee.

After debate, the motion carried.

At 4:18 p.m., the Committee adjourned to the call of the Chair.

Richard Rumas

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 2nd SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 3

Thursday, November 21, 2002

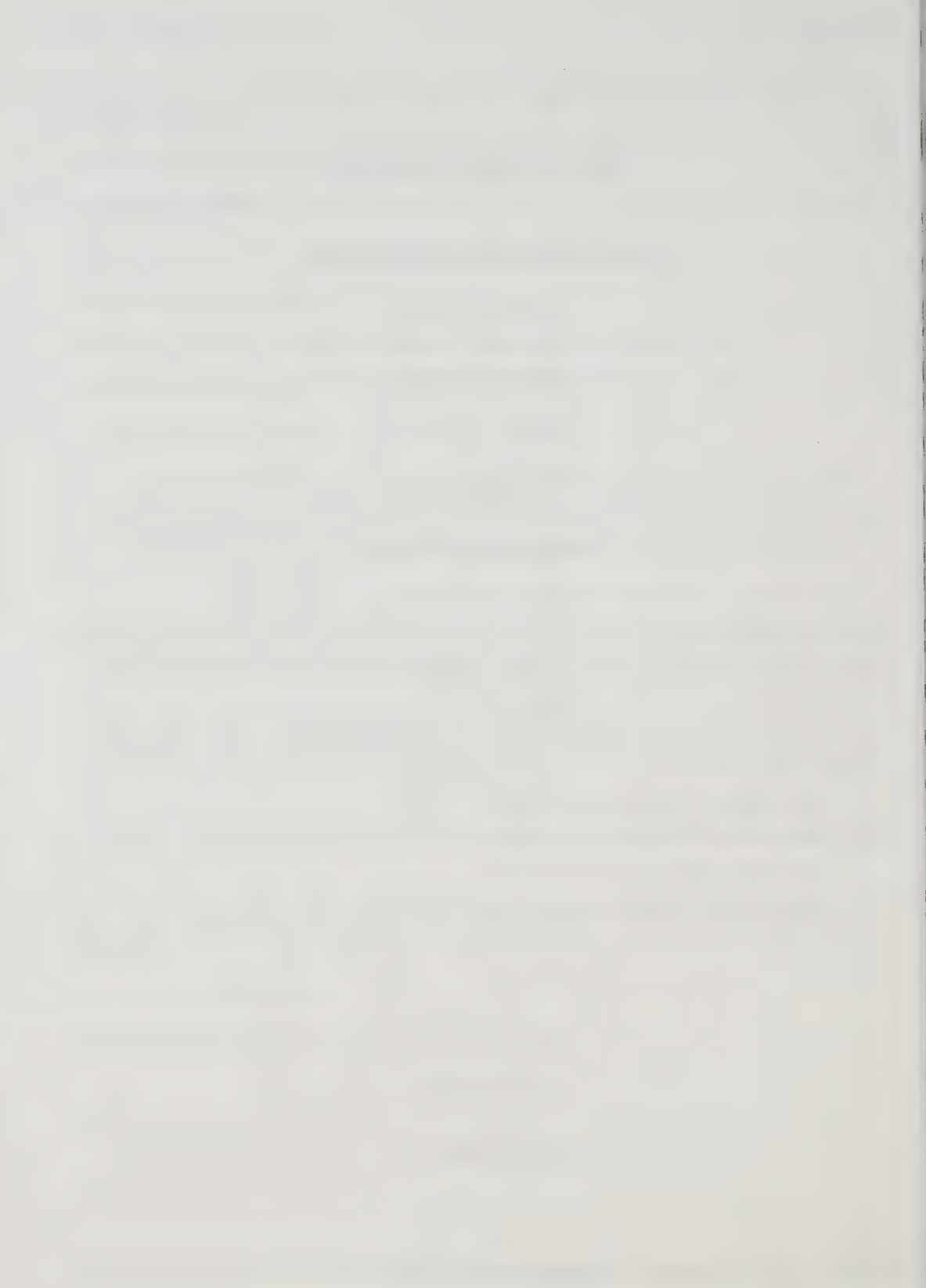
ORDER OF THE DAY:

Consideration of the October 2002 Status Report of the Auditor General of Canada to the House of Commons

WITNESSES:

Office of the Auditor General:

Maria Barrados, Assistant Auditor General;
Richard Flageole, Assistant Auditor General;
Sheila Fraser, Auditor General of Canada;
Hugh McRoberts, Assistant Auditor General.



MINUTES OF PROCEEDINGS

Meeting No. 3

Thursday, November 21, 2002

Standing Committee on Public Accounts met at 3:37 p.m. this day, in Room 237-C, Centre Block, the Chair, John Williams, presiding.

Members of the Committee present: Odina Desrochers, John Finlay, Paul Forseth, Mac Harb, Gerald Keddy, Sophia Ng, Philip Mayfield, Val Meredith, Shawn Murphy, Alex Shepherd and John Williams.

Guest Member present: John Maloney for Sophie Leung.

Attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Analysts.

Witnesses: From the Office of the Auditor General: Sheila Fraser, Auditor General of Canada; Maria Barrados, Assistant Auditor General; Richard Flageole, Assistant Auditor General; Hugh McRoberts, Assistant Auditor General.

Pursuant to Standing Order 108(3)(e), the Committee commenced consideration of the October 2002 Status Report of the Auditor General of Canada to the House of Commons.

Sheila Fraser made a statement and, with the other witnesses, answered questions.

The Chair presented the First Report of the Sub-Committee on Agenda and Procedure, as follows:

The Sub-Committee met on Thursday, November 21, 2002 and agreed to make the following recommendations:

That the matter of a response to the letter from the lawyer of Charles Guité be referred to the Committee.

That the 25th and 26th Reports from the First Session which were not presented, be renumbered as the First and Second Reports of the Second Session; that the Chair be authorized to make editorial changes and that the Chair present the Reports to the House.

That outstanding draft reports be considered at meetings scheduled for November 28, December 5 and December 12, 2002.

That the Public Accounts of Canada 2001-2002 be considered on November 26, 2002.

That the Committee meet on Tuesday, December 3, 2002 with the Auditor General respecting the Report of the Auditor General of Canada to be tabled that day in the House of Commons.

On the motion of Philip Mayfield, it was agreed, - That the Report of the Sub-Committee on Agenda and Procedure be adopted as presented.

Mac Harb moved, - That the Chair, two members of the Government party, one other Opposition member, the Clerk and one analyst travel to Sydney, Melbourne and Canberra, Australia from January 29 to February 9, 2003 to attend the

7th Biennial Conference of the Australasian Council of Public Accounts Committees.

Gerald Keddy moved, - That the motion be amended by inserting after the words "one other Opposition member" the following:

"and a member of the Bloc Quebecois, the New Democratic Party and the Progressive Conservative Party,"

After debate, the question being put on the amendment, it was negatived by a show of hands: YEAS: 3; NAYS 6.

The question being put on the main motion, it was agreed to by a show of hands: YEAS: 8; NAYS 1.

By unanimous consent, it was agreed, - That a Travel Budget not exceeding \$83,000 be adopted; that the Chair and Clerk be authorized to finalize the amount, and that the Chair seek the necessary funds.

By unanimous consent, it was agreed, - That a member of the Bloc Quebecois, the New Democratic Party and the Progressive Conservative Party be represented on the delegation to the Conference of the Australasian Council of Public Accounts Committees.

At 5:14 p.m., the Committee adjourned to the call of the Chair.

Richard Rumas

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 2nd SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 4

Tuesday, November 26, 2002

ORDER OF THE DAY:

Consideration of the Public Accounts of Canada 2001-2002

WITNESSES:

Department of Finance:

Peter DeVries, Director, Fiscal Policy Division, Economic and Fiscal Policy Division.

Office of the Auditor General:

Sheila Fraser, Auditor General of Canada.

Treasury Board of Canada Secretariat:

John Morgan, Executive Director, Financial Management and Accounting Policy
Directorate, Comptrollership Branch;

Richard J. Neville, Deputy Comptroller General.



Français

MINUTES OF PROCEEDINGS

Meeting No. 4

Tuesday, November 26, 2002

The Standing Committee on Public Accounts met at 3:32 p.m. this day, in Room 209, West Block, the Chair, John Williams, presiding.

Members of the Committee present: Robert Bertrand, John Bryden, Odina Desrochers, Paul Forseth, Mac Harb, Philip Mayfield, Val Meredith, Shawn Murphy, Beth Phinney, Alex Shepherd and John Williams.

Acting Members present: Yolande Thibault for John Finlay; Peter Stoffer for Pat Martin.

Associate Member present: Peter Stoffer.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Analysts.

Witnesses: From the Office of the Auditor General: Sheila Fraser, Auditor General of Canada; John Wiersema, Assistant Auditor General, Audit Operations Branch; Clyde MacLellan, Principal. *From the Treasury Board of Canada Secretariat:* Richard Neville, Deputy Comptroller General, Comptrollership Branch; John Morgan, Executive Director, Financial Management and Accounting Policy Directorate, Comptrollership Branch. *From the Department of Finance:* Peter DeVries, Director, Fiscal Policy Division, Economic and Fiscal Policy Division.

The Committee proceeded to the consideration of the Notice of Motion of Philip Mayfield.

Philip Mayfield moved, - That this committee call Mr. Guité back for an *in camera* meeting to continue his comments with this committee and receive questions from its members.

Debate arose thereon.

On motion of Val Meredith, it was agreed, - That Philip Mayfield's motion be deferred until a verbal report from the Law Clerk on all the issues surrounding the *in camera* meeting, including what was said by members after the meeting and what was reported in the media and that if we feel that the verbal report is insufficient that a written report be provided.

Pursuant to Standing Order 108(3)(e), the Committee commenced consideration of the Public Accounts of Canada 2001-2002.

The witnesses made statements and answered questions.

At 5:34 p.m., the Committee adjourned to the call of the Chair.

Richard Rumas

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 2nd SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 5

Thursday, November 28, 2002

IN CAMERA

MINUTES OF PROCEEDINGS

Meeting No. 5

Thursday, November 28, 2002

Standing Committee on Public Accounts met *in camera* at 3:38 p.m. this day, in Room 209, West Block, the Chair, John Williams, presiding.

Members of the Committee present: Robert Bertrand, Odina Desrochers, John Finlay, Mac Harb, Philip Mayfield, Val Redith, Alex Shepherd and John Williams.

Guest Member present: Roy Cullen for Shawn Murphy.

Attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Analysts.

Pursuant to Standing Order 108(3)(e), the Committee commenced consideration of a draft Report on Chapter 13 - Other Audit Observations (Parc Downsview Park Inc.) of the December 2001 Report of the Auditor General of Canada. (See Minutes of Proceedings of Meetings Nos 46, 47, 50 and 58 of the First Session of the 37th Parliament)

It was agreed, - That the Committee adopt the Report as the THIRD REPORT of the Committee.

It was agreed, - That pursuant to Standing Order 109, the Committee request that the Government provide a comprehensive response to this Report.

It was agreed, - That the Chair be authorized to make such grammatical and editorial changes to the Report as may be necessary without changing the substance of the Report.

It was agreed, - That the Chair Table the THIRD REPORT to the House.

It was agreed, - That a Press Release be issued.

Pursuant to Standing Order 108(3)(e), the Committee commenced consideration of a draft Report on Chapter 1 Financial Information Strategy: Infrastructure Readiness) of the December 2001 Report of the Auditor General of Canada; and Pursuant to Standing Order 108(3)(e), consideration of Chapter 7 (Strategies to Implement Modern Procurement) of the April 2002 Report of the Auditor General of Canada. (See Minutes of Proceedings of Meeting 60 of the First Session of the 37th Parliament)

It was agreed, - That the Committee adopt the Report as the FOURTH REPORT of the Committee.

It was agreed, - That pursuant to Standing Order 109, the Committee request that the Government provide a comprehensive response to this Report.

It was agreed, - That the Chair be authorized to make such grammatical and editorial changes to the Report as may be necessary without changing the substance of the Report.

It was agreed, - That the Chair Table the FOURTH REPORT to the House.

It was agreed, - That a Press Release be issued.

Pursuant to Standing Order 108(3)(e), the Committee commenced consideration of a draft Report on Chapter 4 (Voted Grants and Contributions: Government-Wide Management) and Chapter 5 (Voted Grants and Contributions: Program Management) of the December 2001 Report of the Auditor General of Canada. (See Minutes of Proceedings of Meeting No. 51 of the First Session of the 37th Parliament)

It was agreed, - That the Committee adopt the Report as the FIFTH REPORT of the Committee.

It was agreed, - That pursuant to Standing Order 109, the Committee request that the Government provide a comprehensive response to this Report.

It was agreed, - That the Chair be authorized to make such grammatical and editorial changes to the Report as may be necessary without changing the substance of the Report.

It was agreed, - That the Chair Table the FIFTH REPORT to the House.

It was agreed, - That a Press Release be issued.

At 4:06 p.m., the Committee adjourned to the call of the Chair.

Richard Rumas

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 2nd SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 6

Tuesday, December 3, 2002

ORDER OF THE DAY:

Study of the December 2002 Report of the Auditor General of Canada

WITNESSES:

Office of the Auditor General:

Maria Barrados, Assistant Auditor General;
Sheila Fraser, Auditor General of Canada;
Hugh McRoberts, Assistant Auditor General;
Douglas Timmins, Assistant Auditor General.



Français

MINUTES OF PROCEEDINGS

Meeting No. 6

Tuesday, December 3, 2002

The Standing Committee on Public Accounts met in a televised session at 3:30 p.m. this day, in Room 253-D, Centre Block, the Chair, John Williams, presiding.

Members of the Committee present: John Bryden, Odina Desrochers, Paul Forseth, Mac Harb, Gerald Keddy, Philip Mayfield, Val Meredith, Shawn Murphy, Beth Phinney, Alex Shepherd and John Williams.

Acting Member present: Yvon Godin for Pat Martin.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Analysts.

Witnesses: From the Office of the Auditor General: Sheila Fraser, Auditor General of Canada; Maria Barrados, Assistant Auditor General; Douglas Timmins, Assistant Auditor General; Hugh McRoberts, Assistant Auditor General.

Pursuant to Standing Order 108(3)(e), the Committee commenced consideration of the December 2002 Report of the Auditor General of Canada.

Sheila Fraser made a statement and, with the other witnesses, answered questions.

At 5:03 p.m., the Committee adjourned to the call of the Chair.

Richard Rumas

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 2nd SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 7

Tuesday, December 10, 2002

ORDERS OF THE DAY:

Consideration of the motion of Philip Mayfield

Consideration of the letter dated July 12, 2002 from the lawyer of Charles Guité

Future business

WITNESS:

House of Commons:

Rob Walsh, Law Clerk and Parliamentary Counsel.



Français

MINUTES OF PROCEEDINGS

Meeting No. 7

Tuesday, December 10, 2002

The Standing Committee on Public Accounts met *in camera* at 4:08 p.m. this day, in Room 308, West Block, the Chair, John Williams, presiding.

Members of the Committee present: Robert Bertrand, John Bryden, Odina Desrochers, John Finlay, Paul Forseth, Gerald Keddy, Sophia Leung, Philip Mayfield, Val Meredith, Joe Peschisolido, Beth Phinney, Alex Shepherd and John Williams.

Acting Members present: Massimo Pacetti for Mac Harb; Alan Tonks for Shawn Murphy; Robert Lancôt for Gilles A. Perron; Yvon Godin for Pat Martin; Raymond Simard for Robert Bertrand; Alan Tonks for Sophie Leung.

Associate Member present: Robert Lancôt.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Analysts.

Witness: From the House of Commons: Rob Walsh, Law Clerk and Parliamentary Counsel.

With unanimous consent, it was agreed that the meeting be held in public session.

The Committee resumed consideration of the motion of Philip Mayfield

- That this Committee call Mr. Guité back for an *in camera* meeting to continue his comments with this Committee and receive questions from its members.

After debate, the motion was negatived on a recorded division:

YEAS:

Paul Forseth

Philip Mayfield

Val Meredith

Odina Desrochers

Robert Lancôt

Yvon Godin

Gerals Keddy : -- 7

NAYS:

Robert Bertrand

John Bryden

John Finlay

Massimo Pacetti

Sophia Leung

Alan Tonks

Joe Peschisolido

Beth Phinney

Alex Shepherd: -- 9

The Committee resumed consideration of the letter dated July 12, 2002 from the lawyer of Charles Guité.

Rob Walsh made a statement and answered questions.

On motion of Beth Phinney, it was agreed, - That the Committee acknowledges receiving the letter dated July 12, 2002 from the lawyer of Charles Guité and that the letter be deposited with the Clerk of the Committee.

The Committee proceeded to the consideration of its future business.

It was agreed, - That the Committee hold hearings on Chapter 10 of the December 2002 Report of the Auditor General, Department of Justice – Costs of Implementing the Canadian Firearms Program and that members submit the names of possible witnesses to the Clerk of the Committee.

It was agreed, - That the Committee hold a hearing on Chapter 1 of the April 2002 Report of the Auditor General, Placing the Public's Money Beyond Parliament's Reach.

At 4:52 p.m., the sitting was suspended.

At 4:55 p.m., the sitting resumed *in camera*.

Pursuant to Standing Order 108(3)(e), the Committee commenced consideration of a draft Report on Chapter 6 (Atlantic Canada Opportunities Agency - Economic Development) of the December 2001 Report of the Auditor General of Canada.

It was agreed, - That the Committee adopt the Report as the SIXTH REPORT of the Committee.

It was agreed, - That pursuant to Standing Order 109, the Committee request that the Government provide a comprehensive response to this Report.

It was agreed, - That the Chair be authorized to make such grammatical and editorial changes to the Report as may be necessary without changing the substance of the Report.

It was agreed, - That the Chair table the SIXTH REPORT in the House.

It was agreed, - That a Press Release be issued.

Pursuant to Standing Order 108(3)(e), the Committee commenced consideration of a draft Report on Chapter 8 (Canada Customs and Revenue Agency - Managing the Risks of Non-Compliance for Commercial Shipments Entering Canada) of the December 2001 Report of the Auditor General of Canada.

It was agreed, - That the Committee adopt the Report as the SEVENTH REPORT of the Committee.

It was agreed, - That pursuant to Standing Order 109, the Committee request that the Government provide a comprehensive response to this Report.

It was agreed, - That the Chair be authorized to make such grammatical and editorial changes to the Report as may be necessary without changing the substance of the Report.

It was agreed, - That the Chair table the SEVENTH REPORT in the House.

It was agreed, - That a Press Release be issued.

Pursuant to Standing Order 108(3)(e), the Committee commenced consideration of a draft Report on Chapter 8 - Other Audit Observations (Health Canada and Public Works and Government Services Canada) of the April 2002 Report of the Auditor General of Canada.

It was agreed, - That the Committee adopt the Report as the EIGHTH REPORT of the Committee.

It was agreed, - That pursuant to Standing Order 109, the Committee request that the Government provide a comprehensive response to this Report.

It was agreed, - That the Chair be authorized to make such grammatical and editorial changes to the Report as may be necessary without changing the substance of the Report.

It was agreed, - That the Chair table the EIGHTH REPORT in the House.

It was agreed, - That a Press Release be issued.

Pursuant to Standing Order 108(3)(e), the Committee commenced consideration of a draft Report on a study of the Motion of Beth Phinney, M.P., dated March 19, 2002, with regard to the Government Response to the 21st Report of the Public Accounts Committee on the Canadian Human Rights Commission and the Canadian Human Rights Tribunal of February 9, 1999.

At 5:26 p.m., the Committee adjourned to the call of the Chair.

Richard Rumas

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 2nd SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 8

Monday, January 27, 2003

ORDERS OF THE DAY:

- A. Adoption of the Second Report of the Sub-Committee on Agenda and Procedure
- B. Consideration of Notice of Two Motions from Val Meredith on GST Input Tax credit fraud





MINUTES OF PROCEEDINGS

Meeting No. 8

Monday, January 27, 2003

The Standing Committee on Public Accounts met at 3:38 p.m. this day, in Room 209, West Block, the Chair, John Williams, presiding.

Members of the Committee present: John Bryden, Odina Desrochers, Paul Forseth, Mac Harb, Gerald Keddy, Philip Mayfield, Val Meredith, Shawn Murphy, Joe Peschisolido, Beth Phinney, Alex Shepherd and John Williams.

Acting Members present: Larry Bagnell for Robert Bertrand; Tony Tirabassi for John Finlay; Roger Gaudet for Gilles-A. Perron; Judy Sgro for Sophia Leung; Raymond Simard for John Finlay; Reg Alcock for Robert Bertrand.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Analysts.

The Chair presented the Second Report of the Sub-Committee on Agenda and Procedure which is as follows:

The Subcommittee met via conference call on Wednesday, December 18, 2002 and agreed to make the following recommendations:

- 1) That the consideration of the draft report on Groupaction be referred to the Standing Committee.
- 2) That the Committee resume consideration of the draft report on the Human Rights Commission.
- 3) That a meeting be held with officials from the Department of Health concerning the Non-Insured Health Benefits Program (October 2000 AG's Report and Report No. 10 of the Committee (37-1)).
- 4) That the Committee consider the following chapters from the reports of the Auditor General of Canada:

Chapter 1 of the September 2002 Report of the Auditor General on HRDC (SIN)

Chapter 4 of the September 2002 Report of the Auditor General on National Defence (NATO Training)

Chapter 2 of the December 2002 Report of the Auditor General on Fisheries and Oceans (Coast Guard)

Chapter 8 of the December 2002 Report of the Auditor General on PWGSC (Office Space)

Chapter 11 of the December 2002 Report of the Auditor General – Other Audit Observations (RCMP / Firearms).

Chapter 7 of the December 2002 Report of the Auditor General on Canadian Space Agency.

5) That consideration of Chapter 1 of the December 2002 Report of the Auditor General on First Nations be referred to the Committee.

6) That the selection of witnesses to be called during consideration of Chapter 10 of the December 2002 Report of the Auditor General on the Firearm's Program be referred to the Standing Committee.

By a show of hands, it was agreed, - That the draft report on Groupaction be distributed to members of the committee and considered at the next sitting of the Committee: YEAS: 8; NAYS 2.

It was agreed, - That the Committee resume consideration of the draft report on the Canadian Human Rights Commission.

It was agreed, - That a meeting be held with officials on the Department of Health concerning the Non-Insured Health Benefits Program (October 2000 AG's Report and Report No. 10 of the Committee (37-1)).

It was agreed, - That the Committee consider the following chapters from the reports of the Auditor General of Canada:

Chapter 1 of the September 2002 Report of the Auditor General on HRDC (SIN)

Chapter 4 of the September 2002 Report of the Auditor General on National Defence (NATO Training)

Chapter 2 of the December 2002 Report of the Auditor General on Fisheries and Oceans (Coast Guard)

Chapter 8 of the December 2002 Report of the Auditor General on PWGSC (Office Space)

Chapter 11 of the December 2002 Report of the Auditor General – Other Audit Observations (RCMP / Firearms).

Chapter 7 of the December 2002 Report of the Auditor General on Canadian Space Agency.

It was agreed, - That consideration of Chapter 1 of the December 2002 Report of the Auditor General on First Nations be deferred to a later date.

Shawn Murphy moved, - That the Auditor General of Canada, the Minister of Justice, the Deputy Minister of Justice, the CEO and the former CEO of the Canadian Firearms Program be invited to appear before the Committee on Chapter 10 of the December 2002 Report of the Auditor General on the Firearms Program.

And debate arising thereon,

Philip Mayfield moved, - That the motion be amended by adding Lucie Ménard-Baxter, A/Director, Contracts and Materiel Management from the Department of Justice.

And the question being put on the amendment, it was negatived by a show of hands: YEAS: 5; NAYS 7.

And the question being put on the motion, it was agreed to.

On motion of John Bryden, it was agreed, - That the President of Treasury Board be invited to appear on Chapter 10 of the December 2002 Report of the Auditor General on the Firearms Program.

On motion of Val Meredith, it was agreed, - That officials from the Office of the Auditor General, Treasury Board Secretariat and the Canada Customs and Revenue Agency appear before the Standing Committee on Public Accounts regarding the GST input tax credit and how the matter is and was reported in the Public Accounts of Canada.

At 4:23 p.m., the sitting was suspended.

At 4:29 p.m., the sitting resumed *in camera*.

Pursuant to Standing Order 108(3)(e), the Committee resumed consideration of a draft Report on a study of the Motion of Beth Phinney, M.P., dated March 19, 2002, with regard to the Government Response to the 21st Report of the Public Accounts Committee on the Canadian Human Rights Commission and the Canadian Human Rights Tribunal of February 9, 1999. (See Minutes of Proceedings of Tuesday, December 10, 2002, Meeting No. 7)

It was agreed, - That the Committee adopt the Report as the NINTH REPORT of the Committee.

It was agreed, - That pursuant to Standing Order 109, the Committee request that the Government provide a comprehensive response to this Report.

It was agreed, - That the Chair be authorized to make such grammatical and editorial changes to the Report as may be necessary without changing the substance of the Report.

It was agreed, - That the Chair table the NINTH REPORT in the House.

It was agreed, - That a Press Release be issued.

At 4:48 p.m., the Committee adjourned to the call of the Chair.

Richard Rumas

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 2nd SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 9

Wednesday, January 29, 2003

ORDER OF THE DAY:

Consideration of the failure of the Ministry to respond to Question 85 — Mr. Williams (St-Albert)



MINUTES OF PROCEEDINGS

Meeting No. 9

Wednesday, January 29, 2003

The Standing Committee on Public Accounts met at 3:36 p.m. this day, in Room 209, West Block, the Chair, John Williams, presiding.

Members of the Committee present: John Bryden, Odina Desrochers, John Finlay, Paul Forseth, Mac Harb, Philip Mayfield, Val Meredith, Shawn Murphy, Joe Peschisolido, Beth Phinney, Alex Shepherd and John Williams.

Acting Members present: Tony Tirabassi for Robert Bertrand; Judy Sgro for Sophia Leung; Roger Gaudet for Gilles A. Perron.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Analysts.

Pursuant to an Order of the House dated Monday, January 27, 2003 and pursuant to Standing Order 39 (5), the Committee commenced consideration of the failure of the Ministry to respond to Question 85 – Mr. Williams (St-Albert).

Val Meredith moved, - That the Standing Committee on Public Accounts express its displeasure in the Ministry in failing to answer Question 85 within the 45 days prescribed in Standing Order 39(5) and that in the event an answer is not forthcoming in the near future, the Committee will revisit the matter.

And debate arising thereon;

Shawn Murphy moved, - That the motion be amended by deleting the word “displeasure” and replace it with “concern”.

And the question being put on the amendment, it was agreed to.

The motion, as amended, carried.

At 4:02 p.m., the sitting was suspended.

At 4:04 p.m., the sitting resumed *in camera*.

Pursuant to Standing Order 108(3)(e), the Committee commenced consideration of a draft report on the Report of the Auditor General of Canada dated May 8, 2002 on Groupaction Communications.

It was agreed, - That consideration of the draft report be deferred until a later date.

At 4:22 p.m., the Committee adjourned to the call of the Chair.

Richard Rumas

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 2nd SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 10

Monday, February 3, 2003

ORDER OF THE DAY:

Study of Chapter 7 (Canadian Space Agency – Implementing the Canadian Space Program) of the December 2002 Report of the Auditor General of Canada

WITNESSES:

Canadian Space Agency:

Jacques Bruneau (Senior Financial Officer and Director, Corporate Management;

Marc Garneau, President.

Office of the Auditor General:

Richard Flageole, Assistant Auditor General.



MINUTES OF PROCEEDINGS

Meeting No. 10

Monday, February 3, 2003

The Standing Committee on Public Accounts met in a televised session at 3:33 p.m. this day, in Room 237-C, Centre Block, the Vice-Chair, Beth Phinney, presiding.

Members of the Committee present: Odina Desrochers, Paul Forseth, Roger Gaudet, Mac Harb, Steve Mahoney, Pat Martin, Philip Mayfield, Val Meredith, Beth Phinney and Tony Tirabassi.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Analysts.

Witnesses: From the Office of the Auditor General: Richard Flageole, Assistant Auditor General; Reno Cyr, Principal. *From the Canadian Space Agency:* Marc Garneau, President; Pierre Richard, Senior Vice-President; Jacques Bruneau, Senior Financial Officer and Director, Corporate Management.

Pursuant to Standing Order 108(3)(e), the Committee commenced consideration of Chapter 7 (Canadian Space Agency - Implementing the Canadian Space Program) of the December 2002 Report of the Auditor General of Canada.

Richard Flageole and Marc Garneau made statements and, with the other witnesses, answered questions.

At 5:16 p.m., the Committee adjourned to the call of the Chair.

Richard Rumas

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 2nd SESSION

MINUTES OF PROCEEDINGS

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Chair: John Williams, CA

Meeting No. 11

Wednesday, February 5, 2003

ORDER OF THE DAY:

Consideration of the Non-Insured Health Benefits Programs of Chapter 15 (Health Canada – First Nations Health) of the October 2000 Report of the Auditor General of Canada

WITNESSES:

Department of Health:

Peter Cooney, Acting Director General, Non-Insured Health Benefits, First Nations and Inuit Health Branch;

Ian Potter, Assistant Deputy Minister, First Nations and Inuit Health Branch.



MINUTES OF PROCEEDINGS

Meeting No. 11

Wednesday, February 5, 2003

The Standing Committee on Public Accounts met at 3:32 p.m. this day, in Room 371, West Block, the Vice-Chair, Beth Phinney, presiding.

Members of the Committee present: Colleen Beaumier, John Finlay, Roger Gaudet, Steve Mahoney, Philip Mayfield, Val Meredith, Beth Phinney, Tony Tirabassi and Judy Wasylycia-Leis.

Other Member present: John Bryden.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Analysts.

Witnesses: From the Department of Health: Ian Potter, Assistant Deputy Minister, First Nations and Inuit Health Branch; Peter Cooney, Acting Director General, Non-Insured Health Benefits, First Nations and Inuit Health Branch; Sony Perron, Manager, Audit and Quality Assurance, Business Planning and Management Directorate, First Nations and Inuit Health Branch; Christine Dufour, Senior Policy Analyst, First Nations and Inuit Health Branch.

Pursuant to Standing Order 108(3)(e), the Committee resumed consideration of the Non-Insured Health Benefits Program of Chapter 15 (Health Canada - First Nations Health) of the October 2000 Report of the Auditor General of Canada (See Committee Report No. 10 (37-1)).

Ian Potter made a statement and, with the other witnesses, answered questions.

At 5:34 p.m., the Committee adjourned to the call of the Chair.

Richard Rumas

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
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Chair: John Williams, CA

Meeting No. 12

Monday, February 10, 2003

IN CAMERA



MINUTES OF PROCEEDINGS

Meeting No. 12

Monday, February 10, 2003

The Standing Committee on Public Accounts met *in camera* at 3:36 p.m. this day, in Room 209, West Block, the Chair, John Williams, presiding.

Members of the Committee present: Colleen Beaumier, Odina Desrochers, John Finlay, Paul Forseth, Roger Gaudet, Mac Harb, Gerald Keddy, Steve Mahoney, Philip Mayfield, Val Meredith, Shawn Murphy, Beth Phinney, Tony Tirabassi and John Williams.

Acting Members present: Larry Bagnell for Colleen Beaumier; David Price for Sophia Leung; Joe Jordan for Massimo Pacetti; Pat Martin for Judy Wasylycia-Leis.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Analysts.

The Committee commenced consideration of the notice of motion of Odina Desrochers.

“That the Standing Committee on Public Accounts make an exception to the general practice, and suspend the *in camera* rule with regard to the scheduled discussions to determine whether or not to adopt the report pertaining to Groupaction.”

After debate, the motion was negated.

Pursuant to Standing Order 108(3)(e), the Committee commenced consideration of a draft report on the Report of the Auditor General of Canada dated May 8, 2002 on Groupaction Communications.

At 5:32 p.m., the Committee adjourned to the call of the Chair.

Richard Rumas

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
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PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 13

Wednesday, February 12, 2003

ORDERS OF THE DAY:

Consideration of a Notice of Motion from Val Meredith on GST fraud

Consideration of Chapter 1 (Placing the Public's Money Beyond Parliament's Reach) of the April 2002 Report of the Auditor General of Canada

WITNESSES:

Department of Finance:

Peter DeVries, Director, Fiscal Policy Division, Economic and Fiscal Policy Division.

Office of the Auditor General:

Sheila Fraser, Auditor General of Canada.

Treasury Board of Canada Secretariat:

Gérald Cossette, Director, Management Strategies, Expenditure and Management Strategies Sector;

Richard Neville, Deputy Comptroller General, Comptrollership Branch.



MINUTES OF PROCEEDINGS

Meeting No. 13

Wednesday, February 12, 2003

The Standing Committee on Public Accounts met at 3:36 p.m. this day, in Room 209, West Block, the Chair, John Williams, presiding.

Members of the Committee present: Colleen Beaumier, Odina Desrochers, John Finlay, Roger Gaudet, Gerald Keddy, Steve Mahoney, Philip Mayfield, Val Meredith, Shawn Murphy, Beth Phinney, Tony Tirabassi and John Williams.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Analysts.

Witnesses: From the Office of the Auditor General: Sheila Fraser, Auditor General of Canada; Maria Barrados, Assistant Auditor General. *From the Treasury Board of Canada Secretariat:* Richard Neville, Assistant Secretary and Assistant Comptroller General; Gérald Cossette, Director, Management Strategies, Expenditure and Management Strategies Sector. *From the Department of Finance:* Peter DeVries, Director, Fiscal Policy Division, Economic and Fiscal Policy Division.

The Committee commenced consideration of a Notice of Motion from Val Meredith on GST fraud.

Val Meredith moved, - That the Minister of National Revenue be called before the Standing Committee on Public Accounts on the issue of GST Fraud (Goods and Services Tax).

The motion was agreed to.

Pursuant to Standing Order 108(3)(e), the Committee commenced consideration of Chapter 1 (Placing the Public's Money Beyond Parliament's Reach) of the April 2002 Report of the Auditor General of Canada.

Sheila Fraser and Richard Neville made statements and, with the other witnesses, answered questions.

At 5:27 p.m., the Committee adjourned to the call of the Chair.

Richard Rumas

Clerk of the Committee

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Chair: John Williams, CA

Meeting No. 14

Monday, February 17, 2003

ORDER OF THE DAY:

Study of Chapter 1 (Human Resources Development Canada – The Integrity of the Social Insurance Number) of the September 2002 Report of the Auditor General of Canada

WITNESSES:

Department of Human Resources Development:

Lu Fernandez, Acting Director, Investigation and Control Operations;

Maryantonett Flumian, Associate Deputy Minister;

Charles Nixon, Acting Assistant Deputy Minister, Insurance.

Office of the Auditor General of Canada:

Maria Barrados, Assistant Auditor General;

Peter Simeoni, Principal;

Suzanne Therrien, Director, Office of the Auditor General.



MINUTES OF PROCEEDINGS

Meeting No. 14

Monday, February 17, 2003

The Standing Committee on Public Accounts met at 3:32 p.m. this day, in Room 209, West Block, the Chair, John Williams, presiding.

Members of the Committee present: Odina Desrochers, Paul Forseth, Roger Gaudet, Mac Harb, Steve Mahoney, Philip Mayfield, Shawn Murphy, Beth Phinney, Tony Tirabassi and John Williams.

Acting Members present: Monte Solberg for Val Meredith and Ivan Grose for Colleen Beaumier.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Jean Dupuis, Analyst.

Witnesses: From the Office of the Auditor General: Maria Barrados, Assistant Auditor General; Peter Simeoni, Principal; Suzanne Therrien, Director. *From the Department of Human Resources Development:* Maryantonett Flumian, Associate Deputy Minister; Charles Nixon, Acting Assistant Deputy Minister, Insurance; Lu Fernandez, A/Director, Investigation and Control Operations.

Pursuant to Standing Order 108(3)(e), the Committee commenced consideration of Chapter 1 (Human Resources Development Canada - The Integrity of the Social Insurance Number) of the September 2002 Report of the Auditor General of Canada.

Maria Barrados and Maryantonett Flumian made statements and, with the other witnesses, answered questions.

At 5:19 p.m., the Committee adjourned to the call of the Chair.

Richard Rumas

Clerk of the Committee

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Chair: John Williams, CA

Meeting No. 15

Wednesday, February 19, 2003

ORDERS OF THE DAY:

Consideration of Chapter 2 (Fisheries and Oceans Canada – Contributing to Safe and Efficient Marine Navigation) of the December 2002 Report of the Auditor General of Canada

WITNESSES:

Department of Fisheries and Oceans:

Jean-Claude Bouchard, Associate Deputy Minister;

Jacques Lorquet, Director, Navigation Systems;

Ursula Menke, Deputy Commissioner, Canadian Coast Guard.

Office of the Auditor General:

Sheila Fraser, Auditor General of Canada;

John O'Brien, Principal;

Kevin Potter, Director, Audit Operations Branch.



MINUTES OF PROCEEDINGS

Meeting No. 15

Wednesday, February 19, 2003

The Standing Committee on Public Accounts met at 3:37 p.m. this day, in Room 308, West Block, the Acting Chair, Philip Mayfield, presiding.

Members of the Committee present: Colleen Beaumier, Odina Desrochers, John Finlay, Paul Forseth, Roger Gaudet, Gerald Keddy, Steve Mahoney, Philip Mayfield, Val Meredith, Shawn Murphy and Tony Tirabassi.

Acting Member present: Peter Stoffer for Judy Wasylycia-Leis.

In attendance: From the Parliamentary Branch of the Library of Parliament: Brian O'Neal, Analyst.

Witnesses: From the Office of the Auditor General: Sheila Fraser, Auditor General of Canada; John O'Brien, Principal; Kevin Potter, Director, Audit Operations Branch. *From the Department of Fisheries and Oceans:* Jean-Claude Bouchard, Associate Deputy Minister; Ursula Menke, Deputy Commissioner, CCG; Jacques Lorquet, Director, Navigation Systems.

Pursuant to Standing Order 108(3)(e), the Committee commenced consideration of Chapter 2 (Fisheries and Oceans Canada - Contributing to Safe and Efficient Marine Navigation) of the December 2002 Report of the Auditor General of Canada.

The Clerk of the Committee presided over the election of an Acting Chair.

On motion of Steve Mahoney, it was agreed, - That Philip Mayfield be elected Acting Chair.

Sheila Fraser and Jean-Claude Bouchard made statements and, with the other witnesses, answered questions.

At 5:25 p.m., the Committee adjourned to the call of the Chair.

Richard Rumas

Clerk of the Committee

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Chair: John Williams, CA

Meeting No. 16

Monday, February 24, 2003

ORDER OF THE DAY:

Consideration of Chapter 10 (Department of Justice – Costs of Implementing the Canadian Firearms Program) of the December 2002 Report of the Auditor General of Canada

APPEARING:

Hon. Martin Cauchon, Minister of Justice

WITNESSES:

Department of Justice:

Bill Baker, Chief Executive Officer, Canadian Firearms Program;

Morris Rosenberg, Deputy Minister and Deputy Attorney General.

Office of the Auditor General of Canada:

Sheila Fraser, Auditor General of Canada.



MINUTES OF PROCEEDINGS

Meeting No. 16

Monday, February 24, 2003

The Standing Committee on Public Accounts met in a televised session at 3:28 p.m. this day, in Room 253-D, Centre Block, the Chair, John Williams, presiding.

Members of the Committee present: Odina Desrochers, John Finlay, Paul Forseth, Roger Gaudet, Mac Harb, Gerald Keddy, Steve Mahoney, Val Meredith, Shawn Murphy, Beth Phinney, Judy Wasylycia-Leis and John Williams.

Acting Members present: Garry Breitkreuz for Philip Mayfield; Paul Harold Macklin for Tony Tirabassi; Marlene Jennings for Massimo Pacetti; Joe Louis Jordan for Sophia Leung.

Member of the Senate present: Senator Anne Cools.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal, Analyst.

Appearing: The Hon. Martin Cauchon, Minister of Justice.

Witnesses: From the Department of Justice: Morris Rosenberg, Deputy Minister & Deputy Attorney General; Bill Baker, Chief Executive Officer, Canadian Firearms Program. *From the Office of the Auditor General:* Sheila Fraser, Auditor General of Canada; Hugh McRoberts, Assistant Auditor General; Alan Gilmore, Principal.

Pursuant to Standing Order 108(3)(e), the Committee commenced consideration of Chapter 10 (Department of Justice - Costs of Implementing the Canadian Firearms Program) of the December 2002 Report of the Auditor General of Canada.

Sheila Fraser, the Honourable Martin Cauchon and Morris Rosenberg made statements and, with the other witnesses, answered questions.

At 5:36 p.m., the Committee adjourned to the call of the Chair.

Richard Rumas

Clerk of the Committee

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Chair: John Williams, CA

Meeting No. 17

Thursday, February 25, 2003

IN CAMERA

MINUTES OF PROCEEDINGS

Meeting No. 17

Tuesday, February 25, 2003

The Standing Committee on Public Accounts met *in camera* at 3:34 p.m. this day, in Room 371, West Block, the Chair, John Williams, presiding.

Members of the Committee present: Colleen Beaumier, Odina Desrochers, John Finlay, Paul Forseth, Roger Gaudet, John Harb, Gerald Keddy, Sophia Leung, Steve Mahoney, Philip Mayfield, Val Meredith, Shawn Murphy, Beth Mahoney, Tony Tirabassi, Judy Wasylcyia-Leis and John Williams.

Guest Member present: Joe Jordan for Massimo Pacetti.

Attendance: From the Library of Parliament: Brian O'Neal and Jean Dupuis, Analysts.

Pursuant to Standing Order 108(3)(e), the Committee resumed consideration of a draft report on the Report of the Auditor General of Canada dated May 8, 2002 on Groupaction Communications. (See Minutes of Proceedings of Tuesday, January 29, 2003, Meeting No. 9 and Monday, February 10, 2003, Meeting No. 12.)

It was agreed, - That the Committee adopt the Report as the TENTH REPORT of the Committee.

It was agreed, - That pursuant to Standing Order 109, the Committee request that the Government provide a comprehensive response to this Report.

It was agreed, - That the Chair be authorized to make such grammatical and editorial changes to the Report as may be necessary without changing the substance of the Report.

It was agreed, - That the Chair table the TENTH REPORT in the House.

It was agreed, - That this Committee authorize the printing of a dissenting or complimentary opinion of any member of the Committee as an appendix to this report.

It was agreed, - That any dissenting or complimentary opinion be limited to not more than two (2) pages.

It was agreed, - That any dissenting or complimentary opinion be received in both official languages and in electronic format by the Clerk no later than noon, Monday, March 17, 2003.

It was agreed, - The Standing Committee on Public Accounts should, as can be arranged, call Vice Chief Charles Fox and other officials of the Assembly of First Nations to make a presentation about matters directly related to the First Nations and Inuit Health Branch of Health Canada Consent Form and on Chapter 15 of the October 2000 Report of the Auditor General of Canada.

It was agreed, - That the Public Accounts Committee invite Mr. Michael Wing, President of Union of Coast Guard Employees to appear before the Committee to give testimony on the Status of the Coast Guard.

At 3:56 p.m., the Committee adjourned to the call of the Chair.

Richard Rumas

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
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MINUTES OF PROCEEDINGS

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Chair: John Williams, CA

Meeting No. 18

Wednesday, February 26, 2003

ORDERS OF THE DAY:

Consideration of Chapter 4 (National Defence – Nato Flying Training in Canada) of the September 2002 Report of the Auditor General of Canada

WITNESSES:

Department of National Defence:

Brigadier General E.G. (Gaston) Cloutier, Director General Air Personnel;

Jim Richardson, Director, Major Service Delivery Procurement;

Alan Williams, Assistant Deputy Minister, Materiel.

Office of the Auditor General:

Sheila Fraser, Auditor General of Canada;

Wendy Loschiuk, Principal;

Hugh McRoberts, Assistant Auditor General.

**MINUTES OF PROCEEDINGS**

Meeting No. 18

Wednesday, February 26, 2003

The Standing Committee on Public Accounts met at 3:38 p.m. this day, in Room 237-C, Centre Block, the Chair, John Williams, presiding.

Members of the Committee present: Odina Desrochers, John Finlay, Paul Forseth, Roger Gaudet, Steve Mahoney, Philip Mayfield, Val Meredith, Tony Tirabassi, Judy Wasylycia-Leis and John Williams.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal, Analyst.

Witnesses: From the Office of the Auditor General of Canada: Sheila Fraser, Auditor General of Canada; Hugh McRoberts, Assistant Auditor General; Wendy Loschiuk, Principal. *From the Department of National Defence:* Alan Williams, Assistant Deputy Minister, Materiel; Jim Richardson, Director, Major Service Delivery Procurement; E.G. (Gaston) Cloutier, Director General Air Personnel; Robert Bertrand, Director Air Comptrollership and Business Management.

Pursuant to Standing Order 108(3)(e), the Committee commenced consideration of Chapter 4 (National Defence - NATO Flying Training in Canada) of the September 2002 Report of the Auditor General of Canada.

Sheila Fraser and Alan Williams made opening statements and, with the other witnesses, answered questions.

At 5:28 p.m., the Committee adjourned to the call of the Chair.

Richard Rumas

Clerk of the Committee

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Chair: John Williams, CA

Meeting No. 19

Monday, March 17, 2003

ORDER OF THE DAY:

Consideration of Chapter 19 (Department of Justice – Costs of Implementing the Canadian Firearms Program) of the December 2002 Report of the Auditor General of Canada

APPEARING:

Honourable Lucienne Robillard, President of Treasury Board

WITNESSES:

Office of the Auditor General:

Sheila Fraser, Auditor General of Canada.

Treasury Board of Canada Secretariat:

Jim Judd, Secretary of the Treasury Board and Comptroller General of Canada;

Richard Neville, Deputy Comptroller General, Comptrollership Branch.



MINUTES OF PROCEEDINGS

Meeting No. 19

Monday, March 17, 2003

The Standing Committee on Public Accounts met in a televised session at 3:32 p.m. this day, in Room 253-D, Centre Block, the Chair, John Williams, presiding.

Members of the Committee present: Odina Desrochers, Mac Harb, Gerald Keddy, Steve Mahoney, Philip Mayfield, Val Meredith, Shawn Murphy, Beth Phinney, Tony Tirabassi, Judy Wasylcia-Leis and John Williams.

Acting Members present: Bon Speller for John Finlay; Garry Breithreuz for Paul Forseth; Alan Tonks for Massimo Pacetti.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Analysts.

Appearing: The Honourable Lucienne Robillard, President, Treasury Board.

Witnesses: From the Treasury Board of Canada Secretariat: Jim Judd, Secretary of the Treasury Board and Comptroller General of Canada; Richard Neville, Deputy Comptroller General, Comptrollership Branch. *From the Office of the Auditor General of Canada:* Sheila Fraser, Auditor General of Canada; Alan Gilmore, Principal, Gordon Stock, Director.

Pursuant to Standing Order 108(3)(e), the Committee resumed consideration of Chapter 10 (Department of Justice - Costs of Implementing the Canadian Firearms Program) of the December 2002 Report of the Auditor General of Canada. (See Minutes of Proceedings of Monday, February 24, 2003, Meeting No. 16)

Sheila Fraser and the Hon. Lucienne Robillard made statements and, with the other witnesses, answered questions.

At 4:06 p.m., the sitting was suspended.

At 4:14 p.m., the sitting resumed.

Questioning of the Minister and the witnesses resumed.

At 5:29 p.m., the Committee adjourned to the call of the Chair.

Richard Rumas

Clerk of the Committee

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MINUTES OF PROCEEDINGS

Meeting No. 20

Wednesday, March 19, 2003

The Standing Committee on Public Accounts met in a televised session at 3:32 p.m. this day, in Room 237-C, Centre Block, the Chair, John Williams, presiding.

Members of the Committee present: Colleen Beaumier, Odina Desrochers, John Finlay, Roger Gaudet, Steve Mahoney, Val Meredith, Beth Phinney, Judy Wasylycia-Leis and John Williams.

Acting Members present: Gérard Binet for Massimo Pacetti; Joe Louis Jordon for Tony Tirabassi; Rahim Jaffer for Paul Forseth.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Jean Dupuis, Analyst.

Appearing: The Hon. Elinor Caplan, Minister of National Revenue.

Witnesses: From Canada Customs and Revenue Agency: Rob Wright, Commissioner; Stephen Rigby, Chief Financial Officer and Assistant Commissioner, Finance and Administration Branch; David W. Miller, Assistant Commissioner, Assessment and Collections Branch. *From the Treasury Board of Canada Secretariat:* John Morgan, Executive Director, Financial Management and Accounting Policy Directorate, Comptrollership Branch. *From the Office of the Auditor General of Canada:* Sheila Fraser, Auditor General of Canada; James Hood, Principal; Andrew Lennox, Principal.

Pursuant to Standing Order 108(3)(e), and a motion of the Committee dated February 12, 2003, the Committee commenced consideration of the Public Accounts of Canada 2001-2002, Volume 2, Part II, Section 3 - Losses of Public Money or Property.

Sheila Fraser, the Honourable Elinor Caplan and Stephen Rigby made statements and, with the other witnesses, answered questions.

At 5:33 p.m., the Committee adjourned to the call of the Chair.

Richard Rumas

Clerk of the Committee

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MINUTES OF PROCEEDINGS

Meeting No. 21

Monday, March 24, 2003

The Standing Committee on Public Accounts met at 3:38 p.m. this day, in Room 371, West Block, the Chair, John Williams, presiding.

Members of the Committee present: Odina Desrochers, Roger Gaudet, Mac Harb, Gerald Keddy, Philip Mayfield, Shawn Murphy, Beth Phinney, Tony Tirabassi and John Williams.

Acting Member present: Ken Epp for Val Meredith.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Analysts.

Witnesses: From the Office of the Auditor General of Canada: Shahid Minto, Assistant Auditor General; Ronald Campbell, Principal. *From the Department of Public Works and Government Services:* Carol Beal, Assistant Deputy Minister, Real Property Program Branch; Rodney Monette, Assistant Deputy Minister, Operations Branch.

Pursuant to Standing Order 108(3)(e), the Committee commenced consideration of Chapter 8 (Public Works and Government Services Canada - Acquisition of Office Space) of the December 2002 Report of the Auditor General of Canada.

Shahid Minto and Carol Beal made statements and, with the other witnesses, answered questions.

At 5:28 p.m., the Committee adjourned to the call of the Chair.

Richard Rumas

Clerk of the Committee



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MINUTES OF PROCEEDINGS

Meeting No. 22

Wednesday, March 26, 2003

The Standing Committee on Public Accounts met in a televised session at 3:35 p.m. this day, in Room 253-D, Centre Block, the Chair, John Williams, presiding.

Members of the Committee present: Colleen Beaumier, John Finlay, Roger Gaudet, Mac Harb, Philip Mayfield, Beth Phinney, Judy Wasylycia-Leis and John Williams.

Acting Members present: Garry Breitkreuz for Paul Forseth; Paul Harold Maklin for Sophia Leung; Joe Jordan for Steve Mahoney; Rob Anders for Val Meredith; Paddy Torsney for Massimo Pacetti; Marlene Jennings for Tony Tirabassi.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Analysts.

Witnesses: From the Office of the Auditor General of Canada: Hugh McRoberts, Assistant Auditor General; Alan Gilmore, Principal; Gordon Stock, Director. *From the Department of Justice:* Gary Webster, Special Advisor to Deputy Minister. *From the Department of Human Resources Development:* Maryantonett Flumian, Associate Deputy Minister and Vice-Chairperson, Deputy Minister's Office.

Pursuant to Standing Order 108(3)(e), the Committee resumed consideration of Chapter 10 (Department of Justice - Costs of Implementing the Canadian Firearms Program) of the December 2002 Report of the Auditor General of Canada. (See Minutes of Proceedings of Monday, February 24, 2003, Meeting No. 16; Monday, March 17, 2003, Meeting No. 19)

Gary Webster and Maryantonett Flumian made statements and, with the witnesses from the Office of the Auditor General, answered questions.

At 4:24 p.m., the Committee adjourned to the call of the Chair.

Richard Rumas

Clerk of the Committee

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MINUTES OF PROCEEDINGS

Meeting No. 23

Wednesday, April 2, 2003

The Standing Committee on Public Accounts met at 3:54 p.m. this day, in Room 209, West Block, the Chair, John Williams, presiding.

Members of the Committee present: Colleen Beaumier, Odina Desrochers, John Finlay, Steve Mahoney, Philip Mayfield, Val Meredith, Shawn Murphy, Tony Tirabassi and John Williams.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Analysts.

Witnesses: From the Office of the Auditor General of Canada: Sheila Fraser, Auditor General of Canada; Johanne Gélins, Commissioner of the Environment and Sustainable Development; David Rattray, Assistant Auditor General; Mary Clennett, Comptroller.

Pursuant to Standing Order 81(4), and the Order of Reference dated Wednesday, February 26, 2003, the Committee commenced consideration of the Main Estimates 2003-2004: Vote 20 under FINANCE (Office of the Auditor General).

Sheila Fraser and Johanne Gélins made statements and, with the other witnesses, answered questions.

At 5:27 p.m., the Committee adjourned to the call of the Chair.

Richard Rumas

Clerk of the Committee

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MINUTES OF PROCEEDINGS

Meeting No. 24

Monday, April 7, 2003

The Standing Committee on Public Accounts met *in camera* at 3:34 p.m. this day, in Room 371, West Block, the Chair, John Williams, presiding.

Members of the Committee present: Colleen Beaumier, John Finlay, Paul Forseth, Mac Harb, Steve Mahoney, Val Meredith, Shawn Murphy, Beth Phinney, Judy Wasylcyia-Leis and John Williams.

Acting Member present: Sébastien Gagnon for Odina Desrochers.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Analysts.

Pursuant to Standing Order 81(4), and the Order of Reference dated Wednesday, February 26, 2003, Main Estimates 2003-2004, the Committee resumed consideration of the Main Estimates 2003-2004: Vote 20 under FINANCE (Office of the Auditor General).

Vote 20 carried.

It was agreed, - That the Chair report Vote 20 as carried to the House as the ELEVENTH REPORT of the Committee.

Pursuant to Standing Order 108(3)(e), the Committee commenced consideration of a draft report on the Public Accounts of Canada 2001-2002.

It was agreed, - That the Committee adopt the Report as the TWELVETH REPORT of the Committee.

It was agreed, - That pursuant to Standing Order 109, the Committee request that the Government provide a comprehensive response to this Report.

It was agreed, - That the Chair be authorized to make such grammatical and editorial changes to the Report as may be necessary without changing the substance of the Report.

It was agreed, - That the Chair table the TWELVETH REPORT in the House.

It was agreed, - That a Press Release be issued.

It was agreed, - That this Committee authorize the printing of a dissenting opinion of the Bloc Quebecois as an appendix to this report and that it be received by 3:00 p.m. Tuesday, April 8, 2003 in both official languages and in electronic format.

Pursuant to Standing Order 108(3)(e), commenced consideration of a draft report on Chapter 7 (Canadian Space Agency - Implementing the Canadian Space Program) of the December 2002 Report of the Auditor General of Canada.

It was agreed, - That the Committee adopt the Report as the THIRTEENTH REPORT of the Committee.

It was agreed, - That pursuant to Standing Order 109, the Committee request that the Government provide a comprehensive response to this Report.

It was agreed, - That the Chair be authorized to make such grammatical and editorial changes to the Report as may be necessary without changing the substance of the Report.

It was agreed, - That the Chair table the THIRTEENTH REPORT in the House.

It was agreed. - That a Press Release be issued.

At 4:17 p.m., the Committee adjourned to the call of the Chair.

Clerk of the Committee



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HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 2nd SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 25

Wednesday, April 9, 2003

ORDER OF THE DAY:

Consideration of the April 2003 Report of the Auditor General of Canada

WITNESSES:

Office of the Auditor General of Canada:

Maria Barrados, Assistant Auditor General;

Sheila Fraser, Auditor General of Canada;

Hugh McRoberts, Assistant Auditor General.





MINUTES OF PROCEEDINGS

Meeting No. 25

Wednesday, April 9, 2003

The Standing Committee on Public Accounts met at 3:31 p.m. this day, in Room 371, West Block, the Chair, John Williams, presiding.

Members of the Committee present: Colleen Beaumier, Odina Desrochers, John Finlay, Mac Harb, Gerald Keddy, Val Meredith, Shawn Murphy, Beth Phinney, Judy Wasylycia-Leis and John Williams.

Acting Members present: Diane Bourgeois for Roger Gaudet.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Analysts.

Also in attendance: Boris Georgievich Preobrazhenskiy, First Deputy Chairman of the Russian Federation Council Commission on Interaction with the Accounting Chamber; Nikolay Ivanovich Malyshev, Deputy Chief of Staff of the Russian Federation Council Commission on Interaction with the Accounting Chamber.

Witnesses: From the Office of the Auditor General of Canada: Sheila Fraser, Auditor General of Canada; Hugh McRoberts, Assistant Auditor General; Shahid Minto, Assistant Auditor General; Maria Barrados, Assistant Auditor General.

Pursuant to Standing Order 108(3)(e), the Committee commenced consideration of the April 2003 Report of the Auditor General of Canada.

Sheila Fraser made a statement and, with the other witnesses, answered questions.

The Chair introduced members of a delegation from the Federation Council of the Russian Federation.

Boris Preobrazhenskiy made a statement.

At 4:58 p.m., the Committee adjourned to the call of the Chair.

Richard Rumas

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 2nd SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 26

Wednesday, April 30, 2003

IN CAMERA



MINUTES OF PROCEEDINGS

Meeting No. 26

Wednesday, April 30, 2003

The Standing Committee on Public Accounts met *in camera* at 3:38 p.m. this day, in Room 209, West Block, the Chair, John Williams, presiding.

Members of the Committee present: Colleen Beaumier, Odina Desrochers, John Finlay, Roger Gaudet, Mac Harb, Val Meredith, Beth Phinney, Judy Wasylycia-Leis and John Williams.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Analysts.

Pursuant to Standing Order 108(3)(e), the Committee commenced consideration of a draft report on Chapter 1 (Placing the Public's Money Beyond Parliament's Reach) of the April 2002 Report of the Auditor General of Canada.

Pursuant to Standing Order 108(3)(e), the Committee commenced consideration of a draft report on Chapter 2 (Fisheries and Oceans Canada - Contributing to Safe and Efficient Marine Navigation) of the December 2002 Report of the Auditor General of Canada.

At 4:12 p.m., the Committee adjourned to the call of the Chair.

Richard Rumas

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 2nd SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 27

Monday, May 5, 2003

ORDERS OF THE DAY:

Consideration of Chapter 6 (Federal Government Support to First Nations - Housing on Reserves) of the April 2003 Report of the Auditor General of Canada

Consideration of the Non-Insured Health Benefits Program of Chapter 15 (Health Canada - First Nations Health) of the October 2000 Report of the Auditor General of Canada

WITNESSES:

Assembly of First Nations:

Elaine Johnston, Director, Health Secretariat.

Canada Mortgage and Housing Corporation:

Douglas Stewart, Vice-President, Policy and Programs.

Department of Indian Affairs and Northern Development:

Joan Atkinson, Assistant Deputy Minister, Socio-Economic Policy and Programs Sector;

Gilles Rochon, Director General, Community Development Branch, Socio-Economic Policy and Programs Sector.

Office of the Auditor General of Canada:

Maria Barrados, Assistant Auditor General;

Joe Martire, Principal.

MINUTES OF PROCEEDINGS

Meeting No. 27

Monday, May 5, 2003

The Standing Committee on Public Accounts met at 3:30 p.m. this day, in Room 209, West Block, the Chair, John Williams, presiding.

Members of the Committee present: Colleen Beaumier, Roger Gaudet, Sophia Leung, Val Meredith, Beth Phinney, Wasylycia-Leis and John Williams.

Guest Members present: John O'Reilly for Mac Harb, Lawrence McCauley for Massimo Pacetti and Ovid Jackson for Tony Tirabassi.

Attendance: From the Parliamentary Research Branch of the Library of Parliament: Jean Dupuis, Analyst.

Guests: From the Office of the Auditor General of Canada: Maria Barrados, Assistant Auditor General; Joe Martire, Principal; André Côté, Director. From the Department of Indian Affairs and Northern Development: Joan Atkinson, Assistant Deputy Minister, Socio-Economic Policy and Programs Sector; Gilles Rochon, Director General, Community Development Branch, Socio-Economic Policy and Programs Sector. From the Canada Mortgage and Housing Corporation: Douglas Stewart, Vice-President, Policy and Programs; Deborah Taylor, Director, Assisted Housing Division. From the Assembly of First Nations: Elaine Johnston, Director, Health Secretariat.

Pursuant to Standing Order 108(3)(e), the Committee commenced consideration of Chapter 6 (Federal Government Support to First Nations - Housing on Reserves) of the April 2003 Report of the Auditor General of Canada.

Maria Barrados and Joan Atkinson made statements and answered questions.

The Chair presented the Third Report of the Subcommittee on Agenda and Procedure as follows:

The Subcommittee met on Wednesday, April 9, 2003 and agreed to make the following recommendations:

That the Committee hold meetings to consider the following Chapters from the April 2003 Report of the Auditor General of Canada:

Chapter 4 (Correctional Service Canada – Reintegration of Women Offenders;

Chapter 5 (Citizenship ;and Immigration Canada – Control and Enforcement);

Chapter 6 (Federal Government Support to First Nations – Housing on Reserves);

Chapter 7 (National Defence – Environmental Stewardship of Military Training and Test Areas).

It was agreed, - That the Third Report of the Subcommittee on Agenda and Procedure be concurred in.

It was agreed, - That the Chair of the Committee be authorized to seek the authority and the necessary funds to permit seven (7) members of the Standing Committee on Public Accounts and three (3) staff persons of the Committee

to travel to Winnipeg, Manitoba, to attend the Twenty-Fourth Annual Conference of the Canadian Council of Public Accounts Committees from September 14, to 16, 2003, and that the members attending the Conference utilize the travel points to travel to the Conference.

It was agreed, - That the travel budget in the amount of \$ 12,777 to attend the Twenty-Fourth Annual Conference of the Canadian Council of Public Accounts Committees from September 14, to 16, 2003 in Winnipeg, Manitoba be adopted.

Questioning of the witnesses resumed.

At 4:00 p.m., the sitting was suspended.

At 4:23 p.m., the sitting resumed.

Questioning of the witnesses resumed.

Pursuant to a motion of the Committee dated February 25, 2003 (Meeting No. 17) and Standing Order 108(3)(e), the Committee resumed consideration of the Non-Insured Health Benefits Program of Chapter 15 (Health Canada - First Nations Health) of the October 2000 Report of the Auditor General of Canada (See Committee Report No. 10 (37)).

Elaine Johnston made a statement.

At 5:33 p.m., the Committee adjourned to the call of the Chair.

Richard Rumas

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 2nd SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 28

Wednesday, May 7, 2003

ORDER OF THE DAY:

Consideration of Chapter 10 (Department of Justice – Costs of Implementing the Canadian Firearms Program) of the December 2002 Report of the Auditor General of Canada

WITNESSES:

Department of Human Resources Development:

Maryantonett Flumian, Associate Deputy Minister and Vice-Chairperson, Deputy Minister's Office.

Department of Justice:

Gary Webster, Special Advisor to Deputy Minister.

Office of the Auditor General of Canada:

Alan Gilmore, Principal;

Jean Ste-Marie, Assistant Auditor General.



MINUTES OF PROCEEDINGS

Meeting No. 28

Wednesday, May 7, 2003

The Standing Committee on Public Accounts met at 3:39 p.m. this day, in Room 362, East Block, the Chair, John Williams, presiding.

Members of the Committee present: John Finlay, Roger Gaudet, Beth Phinney and John Williams.

Acting Members present: Garry Breitkreuz for Val Meredith; Gerry Ritz for Paul Forseth; Myron Thompson for Philip Mayfield.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Analysts.

Witnesses: From the Office of the Auditor General of Canada: Jean Ste-Marie, Assistant Auditor General; Alan Gilmore, Principal; Gordon Stock, Director. *From the Department of Justice:* Gary Webster, Special Advisor to Deputy Minister. *From the Department of Human Resources Development:* Maryantonett Flumian, Associate Deputy Minister and Vice-Chairperson, Deputy Minister's Office.

Pursuant to Standing Order 108(3)(e), the Committee resumed consideration of Chapter 10 (Department of Justice - Costs of Implementing the Canadian Firearms Program) of the December 2002 Report of the Auditor General of Canada. (See Minutes of Proceedings of Monday, February 24, 2003, Meeting No. 16; Monday, March 17, 2003, Meeting No. 19; Wednesday, March 26, 2003, Meeting No. 22)

The witnesses answered questions.

At 5:32 p.m., the Committee adjourned to the call of the Chair.

Richard Rumas

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 2nd SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 29

Monday, May 12, 2003

ORDER OF THE DAY:

Consideration of Chapter 5 (Citizenship and Immigration Canada – Control and Enforcement) of the April 2003 Report of the Auditor General of Canada

WITNESSES:

Department of Citizenship and Immigration:

Michel Dorais, Deputy Minister;

Daniel Jean, Acting Assistant Deputy Minister, Policy and Program Development.

Office of the Auditor General of Canada:

Sheila Fraser, Auditor General of Canada.

Treasury Board of Canada Secretariat:

John Morgan, Executive Director, Financial Management and Accounting Policy
Directorate, Comptrollership Branch;

Richard Neville, Deputy Comptroller General, Comptrollership Branch.



MINUTES OF PROCEEDINGS

Meeting No. 29

Monday, May 12, 2003

The Standing Committee on Public Accounts met at 3:30 p.m. this day, in Room 209, West Block, the Chair, John Williams, presiding.

Members of the Committee present: Odina Desrochers, John Finlay, Paul Forseth, Roger Gaudet, Val Meredith, Shawn Murphy, Tony Tirabassi and John Williams.

Acting Members present: Libby Davies for Judy Wasylycia-Leis; Joe Fontana for Steve Mahoney; Sarkis Assadourian for Beth Phinney; Larry Bagnell for Mac Harb.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Analysts.

Also in attendance: Mrs. Arah Armstrong, Director of Audit of Antigua and Barbuda; Dr. Gertrud Schlicker, Austria, Deputy Director, Secretary General of INTOSAI; Mr. Njiemoun Mana, Cameroon, the Minister Delegate, Supreme State Audit Office; Mr. Alfred Enoh, Cameroon; Mr. Goran Steen, Sweden, Audit Director.

Witnesses: From the Office of the Auditor General of Canada: Sheila Fraser, Auditor General of Canada; Shahid Minto, Assistant Auditor General; John Hutchinson, Principal. *From the Department of Citizenship and Immigration:* Michel Dorais, Deputy Minister; Lyse Ricard, Assistant Deputy Minister, Operations; Daniel Jean, Acting Assistant Deputy Minister, Policy and Program Development. *From the Treasury Board of Canada Secretariat:* Richard Neville, Deputy Comptroller General, Comptrollership Branch; John Morgan, Executive Director, Financial Management and Accounting Policy Directorate, Comptrollership Branch.

Pursuant to Standing Order 108(3)(e), the Committee commenced consideration of Chapter 5 (Citizenship and Immigration Canada - Control and Enforcement) of the April 2003 Report of the Auditor General of Canada.

Sheila Fraser and Michel Dorais made statements and, with the other witnesses, answered questions.

The Auditor General introduced international members of the INTOSAI Independence Subcommittee.

Pursuant to Standing Order 108(3)(e), the Committee commenced consideration of a letter dated April 23, 2003 from Richard Neville, Deputy Comptroller General, concerning *ex Gracia Payments* - Public Accounts Publication Waiver.

Richard Neville made a statement and, with John Morgan, answered questions.

On motion of Larry Bagnell, it was agreed, - That in relation to the letter dated April 23, 2003 from Richard J. Neville, Deputy Comptroller General, concerning waivers to the publication of details related

to ex gratia payments relating to Special Benefits to Merchant Navy Veterans, heating fuel rebates, payments made to resolve claims arising from the Indian Schools System and Special Benefit payment to First Nations Veterans, that an annual waiver be given to Treasury Board provided that the gross amounts and the total number of claims are reported to Parliament.

Pursuant to Standing Order 108(3)(e), the Committee resumed consideration of a draft report on Chapter 1 (Placing the Public's Money Beyond Parliament's Reach) of the April 2002 Report of the Auditor General of Canada. (See Minutes of Proceedings of Wednesday, April 30, 2003, Meeting No. 26)

It was agreed, - That the Committee adopt the Report as the FOURTEENTH REPORT of the Committee.

It was agreed, - That pursuant to Standing Order 109, the Committee request that the Government provide a comprehensive response to this Report.

It was agreed, - That the Chair be authorized to make such grammatical and editorial changes to the Report as may be necessary without changing the substance of the Report.

It was agreed, - That the Chair table the FOURTEENTH REPORT in the House.

It was agreed, - That a Press Release be issued.

Pursuant to Standing Order 108(3)(e), the Committee resumed consideration of a draft report on Chapter 2 (Fisheries and Oceans Canada - Contributing to Safe and Efficient Marine Navigation) of the December 2002 Report of the Auditor General of Canada. (See Minutes of Proceedings of Wednesday, April 30, 2003, Meeting No. 26)

It was agreed, - That the Committee adopt the Report as the FIFTEENTH REPORT of the Committee.

It was agreed, - That pursuant to Standing Order 109, the Committee request that the Government provide a comprehensive response to this Report.

It was agreed, - That the Chair be authorized to make such grammatical and editorial changes to the Report as may be necessary without changing the substance of the Report.

It was agreed, - That the Chair table the FIFTEENTH REPORT in the House.

It was agreed, - That a Press Release be issued.

At 5:11 p.m., the Committee adjourned to the call of the Chair.

Richard Rumas

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 2nd SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 30

Wednesday, May 14, 2003

ORDER OF THE DAY:

Consideration of Chapter 4 (Correctional Services Canada – Reintegration of Women Offenders) of the April 2003 Report of the Auditor General of Canada

WITNESSES:

Correctional Service Canada:

Lucie McClung, Commissioner;

Larry Motiuk, Director General, Research Branch;

Nancy Stableforth, Deputy Commissioner, Ontario Region.

Department of Citizenship and Immigration:

Hugh McRoberts, Assistant Auditor General.



MINUTES OF PROCEEDINGS

Meeting No. 30

Wednesday, May 14, 2003

The Standing Committee on Public Accounts met at 3:34 p.m. this day, in Room 371, West Block, the Chair, John Williams, presiding.

Members of the Committee present: Colleen Beaumier, John Finlay, Val Meredith, Judy Wasylycia-Leis and John Williams.

Acting Member present: Diane Bourgeois for Odina Desrochers.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Analysts.

Witnesses: From the Office of the Auditor General of Canada: Hugh McRoberts, Assistant Auditor General; Ron Wolchuk, Principal; Jocelyne Therrien, Director. *From the Correctional Service Canada:* Lucie McClung, Commissioner; Nancy Stableforth, Deputy Commissioner, Ontario Region; Dr. Larry Motiuk, Director General, Research Branch.

Pursuant to Standing Order 108(3)(e), the Committee commenced consideration of Chapter 4 (Correctional Service Canada - Reintegration of Women Offenders) of the April 2003 Report of the Auditor General of Canada.

Hugh McRoberts and Lucie McClung made statements and, with the other witnesses, answered questions.

At 5:25 p.m., the Committee adjourned to the call of the Chair.

Richard Rumas

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 2nd SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 31

Monday, May 26, 2003

ORDER OF THE DAY:

Consideration of Chapter 7 (National Defence – Environmental Stewardship of Military Training and Test Areas) of the April 2003 Report of the Auditor General of Canada

WITNESSES:

Office of the Auditor General of Canada:

Wendy Loschiuk, Principal;

Hugh McRoberts, Assistant Auditor General.

Department of National Defence:

Don Edgecombe, Director, Environmental Stewardship;

Karen Ellis, Assistant Deputy Minister, Infrastructure and Environment;

Ginger Stones, Director General, Environment.



MINUTES OF PROCEEDINGS

Meeting No. 31

Monday, May 26, 2003

The Standing Committee on Public Accounts met at 3:30 p.m. this day, in Room 209, West Block, the Vice-Chair, Beth Phinney, presiding.

Members of the Committee present: Colleen Beaumier, Paul Forseth, Roger Gaudet, Mac Harb, Val Meredith, Shawn Murphy and Beth Phinney.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Jean Dupuis, Analyst.

Witnesses: From the Office of the Auditor General of Canada: Hugh McRoberts, Assistant Auditor General; Wendy Loschiuk, Principal; Anne-Marie Smith, Principal. *From the Department of National Defence:* Karen Ellis, Assistant Deputy Minister, Infrastructure and Environment; Ginger Stones, Director General, Environment; Don Edgecombe, Director, Environmental Stewardship.

Pursuant to Standing Order 108(3)(e), the Committee commenced consideration of Chapter 7 (National Defence - Environmental Stewardship of Military Training and Test Areas) of the April 2003 Report of the Auditor General of Canada.

Hugh McRoberts and Karen Ellis made statements and, with the other witnesses, answered questions.

At 4:34 p.m., the Committee adjourned to the call of the Chair.

Richard Rumas

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 2nd SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 32

Wednesday, May 28, 2003

IN CAMERA



Français

MINUTES OF PROCEEDINGS

Meeting No. 32

Wednesday, May 28, 2003

The Standing Committee on Public Accounts met *in camera* at 3:37 p.m. this day, in Room 362, East Block, the Vice-Chair, Beth Phinney, presiding.

Members of the Committee present: John Finlay, Roger Gaudet, Mac Harb, Val Meredith, Shawn Murphy and Beth Phinney.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Jean Dupuis, Analyst.

Pursuant to Standing Order 108(3)(e), the Committee commenced consideration of a draft report on Chapter 1 (Human Resources Development Canada - The Integrity of the Social Insurance Number) of the September 2002 Report of the Auditor General of Canada.

Pursuant to Standing Order 108(3)(e), and a motion of the Committee dated February 12, 2003, the Committee commenced consideration of a draft report on the Public Accounts of Canada 2001-2002, Volume 2, Part II, Section 3 - Losses of Public Money or Property

At 3:53 p.m., the Committee adjourned to the call of the Chair.

Richard Rumas

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 2nd SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 33

Monday, June 2, 2003

ORDER OF THE DAY:

Study of the May 2003 Report of the Auditor General of Canada.

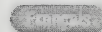
WITNESSES:

Office of the Auditor General of Canada:

Maria Barrados, Assistant Auditor General;

Sheila Fraser, Auditor General of Canada;

Shahid Minto, Assistant Auditor General.



MINUTES OF PROCEEDINGS

Meeting No. 33

Monday, June 2, 2003

The Standing Committee on Public Accounts met at 3:32 p.m. this day, in Room 112-N, Centre Block, the Chair, John Williams, presiding.

Members of the Committee present: John Finlay, Paul Forseth, Roger Gaudet, Val Meredith, Shawn Murphy and John Williams.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Analysts.

Witnesses: From the Office of the Auditor General of Canada: Sheila Fraser, Auditor General of Canada; Maria Barrados, Assistant Auditor General; Shahid Minto, Assistant Auditor General; Douglas Timmins, Assistant Auditor General.

Pursuant to Standing Order 108(3)(e), the Committee commenced consideration of the May 2003 Report of the Auditor General of Canada.

Sheila Fraser made a statement and, with the other witnesses, answered questions.

At 4:27 p.m., the sitting was suspended.

At 5:00 p.m., the sitting resumed *in camera*.

Pursuant to Standing Order 108(3)(e), the Committee commenced consideration of a draft report on Chapter 4 (National Defence - NATO Flying Training in Canada) of the September 2002 Report of the Auditor General of Canada.

At 5:33 p.m., the Committee adjourned to the call of the Chair.

Richard Rumas

Clerk of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 2nd SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 34

Wednesday, June 4, 2003

IN CAMERA



MINUTES OF PROCEEDINGS

Meeting No. 34

Wednesday, June 4, 2003

The Standing Committee on Public Accounts met *in camera* at 4:01 p.m. this day, in Room 371, West Block, the Chair, John Williams, presiding.

Members of the Committee present: Colleen Beaumier, Odina Desrochers, Paul Forseth, Val Meredith, Shawn Murphy and John Williams.

Acting Members present: Raymond Bonin for Mac Harb; Yvon Charbonneau for Massimo Pacetti; Ovid Jackson for Tony Tirabassi.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Analysts.

Pursuant to Standing Order 108(3)(e), the Committee resumed consideration of a draft report on Chapter 1 (Human Resources Development Canada - The Integrity of the Social Insurance Number) of the September 2002 Report of the Auditor General of Canada. (See Minutes of Proceedings of Wednesday, May 28, 2003, meeting No. 32)

It was agreed, - That the Committee adopt the Report as the SIXTEENTH REPORT of the Committee.

It was agreed, - That pursuant to Standing Order 109, the Committee request that the Government provide a comprehensive response to this Report.

It was agreed, - That the Chair be authorized to make such grammatical and editorial changes to the Report as may be necessary without changing the substance of the Report.

It was agreed, - That the Chair table the SIXTEENTH REPORT in the House.

It was agreed, - That a Press Release be issued.

Pursuant to Standing Order 108(3)(e), and a motion of the Committee dated February 12, 2003, the Committee resumed consideration of a draft report on the Public Accounts of Canada 2001-2002, Volume 2, Part II, Section 3 - Losses of Public Money or Property. (See Minutes of Proceedings of Wednesday, May 28, 2003, meeting No. 32)

It was agreed, - That the Committee adopt the Report as the SEVENTEENTH REPORT of the Committee.

It was agreed, - That pursuant to Standing Order 109, the Committee request that the Government provide a comprehensive response to this Report.

It was agreed, - That the Chair be authorized to make such grammatical and editorial changes to the Report as may be necessary without changing the substance of the Report.

It was agreed, - That the Chair table the SEVENTEENTH REPORT in the House.

It was agreed, - That a Press Release be issued.

Pursuant to Standing Order 108(3)(e), the Committee resumed consideration of a draft report on Chapter 4 (National Defence - NATO Flying Training in Canada) of the September 2002 Report of the Auditor General of Canada. (See Minutes of Proceedings of Monday, June 2, 2003, meeting No. 33)

It was agreed, - That the Committee adopt the Report as the EIGHTEENTH REPORT of the Committee.

It was agreed, - That pursuant to Standing Order 109, the Committee request that the Government provide a comprehensive response to this Report.

It was agreed, - That the Chair be authorized to make such grammatical and editorial changes to the Report as may be necessary without changing the substance of the Report.

It was agreed, - That the Chair table the EIGHTEENTH REPORT in the House.

It was agreed, - That a Press Release be issued.

Pursuant to Standing Order 108(3)(e), the Committee commenced consideration of a draft report on Chapter 8 (Public Works and Government Services Canada - Acquisition of Office Space) of the December 2002 Report of the Auditor General of Canada.

It was agreed, - That the Committee adopt the Report as the NINETEENTH REPORT of the Committee.

It was agreed, - That pursuant to Standing Order 109, the Committee request that the Government provide a comprehensive response to this Report.

It was agreed, - That the Chair be authorized to make such grammatical and editorial changes to the Report as may be necessary without changing the substance of the Report.

It was agreed, - That the Chair table the NINETEENTH REPORT in the House.

It was agreed, - That a Press Release be issued.

At 4:12 p.m., the Committee adjourned to the call of the Chair.

Richard Rumas

Clerk of the Committee

PARLIAMENT of CANADA

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Meeting No. 35

Monday, June 9, 2003

The Standing Committee on Public Accounts met at 3:34 p.m. this day, in Room 371, West Block, the Vice-Chair, Beth Phinney, presiding.

Members of the Committee present: Paul Forseth, Roger Gaudet, Mac Harb, Val Meredith, Beth Phinney, Tony Tirabassi and Judy Wasylycia-Leis.

In attendance: From the Parliamentary Research Branch of the Library of Parliament: Brian O'Neal and Jean Dupuis, Analysts.

Witnesses: From the Office of the Auditor General of Canada: Sheila Fraser, Auditor General of Canada; Kathryn Elliott, Principal. *From the Treasury Board of Canada Secretariat:* James Lahey, Associate Secretary, Human Resources Reform; Richard Burton, Assistant Secretary, Human Resources Management Office, Organization and Classification; Hélène Laurendeau, Assistant Secretary, Human Resources Management Office, Risk Management.

Pursuant to Standing Order 108(3)(e), the Committee commenced consideration of Chapter 6 (Reform of Classification and Job Evaluation in the Federal Public Service) of the May 2003 Report of the Auditor General of Canada.

Sheila Fraser and James Lahey made statements and, with the other witnesses, answered questions.

At 5:08 p.m., the Committee adjourned to the call of the Chair.

Richard Rumas

Clerk of the Committee

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HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 2nd SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 36

Tuesday, September 23, 2003

IN CAMERA





MINUTES OF PROCEEDINGS

Meeting No. 36

Tuesday, September 23, 2003

The Standing Committee on Public Accounts met *in camera* at 9:11 a.m. this day, in Room 209 West Block, the Chair, John Williams, presiding.

Members of the Committee present: Colleen Beaumier, Paul Forseth, Roger Gaudet, Philip Mayfield, Val Meredith, Shawn Murphy, Beth Phinney, Judy Wasylycia-Leis and John Williams.

Acting Members present: Christian Jobin for Mac Harb, Joe Peschisolido for Steve Mahoney and Judy Sgro for Sophia Leung.

In attendance: Library of Parliament: Jean Dupuis, Analyst; Brian O'Neal, Analyst.

Pursuant to Standing Order 108(3)(e), the Committee commenced consideration of the draft report on Chapter 6 (Federal Government Support to First Nations - Housing on Reserves) of the April 2003 Report of the Auditor General of Canada

It was agreed, — That the Committee adopt the Report as the Twentieth Report of the Committee.

It was agreed, — That, pursuant to Standing Order 109, the Committee request that the Government table a comprehensive response to the report.

It was agreed, — That the Chair be authorized to make such grammatical and editorial changes as may be necessary without changing the substance of the report.

It was agreed, — That the Chair present the Twentieth report to the House.

It was agreed, — That a Press Release be issued.

It was agreed, — That Judy Wasylycia-Leis be authorized to append a dissenting opinion to the Twentieth Report and that the opinion be limited to one page, be provided in both official languages, be in an electronic format and be provided to the Clerk of the Committee within forty-eight (48) hours.

At 9:56 a.m., the Committee adjourned to the call of the Chair.

Richard Rumas

Clerk of the Committee

2003/09/23 3:58 p.m.

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 2nd SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 37

Thursday, September 25, 2003

IN CAMERA



MINUTES OF PROCEEDINGS

Meeting No. 37

Thursday, September 25, 2003

The Standing Committee on Public Accounts met *in camera* at 9:08 a.m. this day, in Room 209 West Block, the Chair, John Williams, presiding.

Members of the Committee present: Colleen Beaumier, Roger Gaudet, Philip Mayfield, Val Meredith, Beth Phinney, Tony Tirabassi, Judy Wasylycia-Leis and John Williams.

Acting Members present: Christian Jobin for Massimo Pacetti, Joe Peschisolido for Sophia Leung, Judy Sgro for John Finlay and Alan Tonks for Shawn Murphy.

In attendance: Library of Parliament: Jean Dupuis, Analyst; Brian O'Neal, Analyst.

Pursuant to Standing Order 108(3)(e), the Committee commenced consideration of a draft report on Chapter 6 (Reform of Classification and Job Evaluation in the Federal Public Service) of the May 2003 Report of the Auditor General of Canada.

It was agreed, — That the Committee adopt the report as the Twenty-First of the Committee.

It was agreed, — That, pursuant to Standing Order 109, the Committee request that the Government table a comprehensive response to the report.

It was agreed, — That the Chair be authorized to make such grammatical and editorial changes as may be necessary without changing the substance of the report.

It was agreed, — That the Chair present the Twenty-First report to the House.

It was agreed, — That a Press Release be issued.

At 9:34 a.m., the Committee adjourned to the call of the Chair.

Richard Rumas
Clerk of the Committee

2003/10/21 1:42 p.m.

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 2nd SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 38

Monday, September 29, 2003

ORDER OF THE DAY:

Election of Chair and Vice-Chairs



Français

MINUTES OF PROCEEDINGS

Meeting No. 38

Monday, September 29, 2003

The Standing Committee on Public Accounts met at 3:28 p.m. this day, in Room 208 West Block.

Members of the Committee present: Odina Desrochers, Roger Gaudet, Christian Jobin, Philip Mayfield, Val Meredith, Joe Peschisolido, Beth Phinney and John Williams.

Acting Members present: Larry Bagnell for Judy Sgro, Robert Bertrand for Shawn Murphy, Ovid Jackson for Colleen Beaumier, John Maloney for Jim Peterson, Raymond Simard for John Finlay, Diane St-Jacques for Tony Tirabassi and Lynne Yelich for Paul Forseth.

In attendance: Library of Parliament: Jean Dupuis, Analyst; Brian O'Neal, Analyst. *House of Commons:* Jean-Michel Roy, Legislative Clerk.

The Clerk of the Committee presided over the election of the Chair.

On motion of Philip Mayfield, it was agreed, - That John Williams do take the Chair of this Committee as Chair.

The Clerk of the Committee presided over the election of the Vice-Chairs.

On motion of Christian Jobin, it was agreed, - That Beth Phinney be elected Vice-Chair of the Committee.

On motion of John Maloney, it was agreed, - That Shawn Murphy be elected in absentia Vice-Chair of the Committee.

John Williams took the Chair.

At 3:37 p.m., the Committee adjourned to the call of the Chair.

Richard Rumas
Clerk of the Committee

2003/09/30 10:42 a.m.

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 2nd SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 39

Thursday, October 2, 2003

ORDER OF THE DAY:

Consideration of the Special Report of the Auditor General of Canada (Audit of the financial management and administration of the Privacy Commissioner of Canada) of September 2003.

Consideration of the Supplementary Estimates (A) 2003-2004: Vote 20a Auditor General, under Finance referred to the Committee on September 23, 2003.

WITNESSES:

Office of the Auditor General of Canada:

Sheila Fraser, Auditor General of Canada.

Office of the Privacy Commissioner of Canada:

Robert Marleau, Interim Privacy Commissioner.

MINUTES OF PROCEEDINGS

Meeting No. 39

Thursday, October 2, 2003

The Standing Committee on Public Accounts met in a televised session at 9:05 a.m. this day, in Room 237-C Centre Block, the Chair, John Williams, presiding.

Members of the Committee present: Odina Desrochers, Paul Forseth, Christian Jobin, Philip Mayfield, Shawn Murphy, John Phinney, Judy Sgro and John Williams.

Guest Members present: Gilbert Barrette for John Finlay, John Bryden for Joe Peschisolido, Raymonde Folco for Guy Tirabassi, Gerald Keddy for Greg Thompson, Robert Lanctôt for Odina Desrochers, Robert Lanctôt for Roger Aker, Derek Lee for Colleen Beaumier, Pat Martin for Judy Wasylcyia-Leis and Alex Shepherd for Jim Peterson.

Associate Members present: Gerald Keddy, Robert Lanctôt and Pat Martin.

Attendance: Library of Parliament: Jean Dupuis, Analyst; Brian O'Neal, Analyst.

Witnesses: Office of the Auditor General of Canada: Sheila Fraser, Auditor General of Canada; Hugh McRoberts, Assistant Auditor General; Kathryn Elliott, Principal. *Office of the Privacy Commissioner of Canada:* Robert Marleau, Acting Privacy Commissioner.

Pursuant to Standing Order 108(3)(e), the Committee commenced consideration of the Special Report of the Auditor General of Canada (Audit of the financial management and administration of the Privacy Commissioner of Canada) of September 2003.

Sheila Fraser and Robert Marleau made statements and answered questions.

At 10:20 a.m., pursuant to Standing Order 81(5), the Committee commenced consideration of the Supplementary Estimates (A) 2003-2004: Vote 20a Auditor General, under Finance referred to the Committee on September 23, 2003.

Sheila Fraser made a statement and answered questions.

It was agreed, - That Vote 20a - Auditor General under Finance carry.

It was agreed, - That the Chair report Vote 20a - Auditor General under Finance, as carried, to the House.

At 10:54 a.m., the sitting was suspended.

At 10:56 a.m., the sitting resumed in camera.

It was agreed, - That the Secretary of the Treasury Board, the ePresident of the Public Service Commission, a senior official of the Privy Council Office and the Information Commissioner be invited to appear before the Committee with respect to the Report on the Office of the Privacy Commissioner of Canada.

It was agreed, - That George Radwanski, the former Privacy Commissioner of Canada, be afforded an opportunity to make a statement before the Committee with respect to the Report of the Auditor General on the Office of the Privacy Commissioner of Canada.

At 11:29 a.m., the Committee adjourned to the call of the Chair.

Richard Rumas
Clerk of the Committee

2003/10/02 4:52 p.m.

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 2nd SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 40

Tuesday, October 7, 2003

IN CAMERA





MINUTES OF PROCEEDINGS

Meeting No. 40

Tuesday, October 7, 2003

The Standing Committee on Public Accounts met *in camera* at 9:01 a.m. this day, in Room 209 West Block, the Chair, John Williams, presiding.

Members of the Committee present: Colleen Beaumier, Odina Desrochers, Paul Forseth, Val Meredith, Shawn Murphy, Joe Peschisolido, Beth Phinney, Judy Sgro and John Williams.

in attendance: Library of Parliament: Jean Dupuis, Analyst; Brian O'Neal, Analyst.

Witnesses: Office of the Auditor General of Canada: Sheila Fraser, Auditor General of Canada; John Wiersema, Assistant Auditor General. *Treasury Board Secretariat:* John Morgan, Executive Director, Financial Management and Accounting Policy. *Department of Finance:* Peter DeVries, Director, Fiscal Policy Division, Economic and Fiscal Policy Division.

Pursuant to Standing Order 108(3)(e), the Committee received a briefing on the Government's move to full accrual accounting.

Sheila Fraser made a statement.

John Wiersema and John Morgan made a presentation and, with the other witnesses, answered questions.

At 10:55 a.m., the Committee adjourned to the call of the Chair.

Richard Rumas
Clerk of the Committee

003/10/16 11:23 a.m.

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 2nd SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 41

Thursday, October 9, 2003

ORDER OF THE DAY:

Video recording

Study of the Special Report of the Auditor General of Canada — Audit of the financial management and administration of the Privacy Commissioner of Canada

WITNESSES:

Office of the Auditor General of Canada:

Sheila Fraser, Auditor General of Canada.

Public Service Commission of Canada:

Michael Corber, Director, Information Management and Review Directorate;

Andrée Dubois, Vice-President, Recourse Branch;

Greg Gauld, Vice-President, Merit Policy and Accountability Branch;

Scott Serson, President.



MINUTES OF PROCEEDINGS

Meeting No. 41

Thursday, October 9, 2003

The Standing Committee on Public Accounts met at 9:07 a.m. this day, in Room 269 West Block, the Chair, John Williams, presiding.

Members of the Committee present: Colleen Beaumier, Odina Desrochers, Paul Forseth, Roger Gaudet, Christian Jobin, Shawn Murphy and John Williams.

Acting Members present: Gérard Binet for Judy Sgro, Roy Cullen for Beth Phinney, Ken Epp for Val Meredith, Raymonde Folco for Tony Tirabassi, Charles Hubbard for Hon. Jim Peterson, Alex Shepherd for Joe Peschisolido and Paul Szabo for John Finlay.

In attendance: Library of Parliament: Jean Dupuis, Analyst; Brian O'Neal, Analyst.

Witnesses: Office of the Auditor General of Canada: Sheila Fraser, Auditor General of Canada; Kathryn Elliott, Principal. *Public Service Commission of Canada:* Scott Serson, President; Andrée Dubois, Vice-President, Recourse Branch; Greg Gauld, Vice-President, Merit Policy and Accountability Branch; Michael Corber, Director, Information Management and Review Directorate.

Pursuant to Standing Order 108(3)(e), the Committee resumed consideration of the Special Report of the Auditor General of Canada (Audit of the financial management and administration of the Privacy Commissioner of Canada) of September 2003.

Scott Serson made an opening statement and, with the other witnesses, answered questions.

At 10:58 a.m., the Committee adjourned to the call of the Chair.

Richard Rumas
Clerk of the Committee

2003/10/09 12:55 p.m.

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 2nd SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 42

Tuesday, October 21, 2003

IN CAMERA



MINUTES OF PROCEEDINGS

Meeting No. 42

Tuesday, October 21, 2003

The Standing Committee on Public Accounts met *in camera* at 9:14 a.m. this day, in Room 209 West Block, the Vice-Chair, Beth Phinney, presiding.

Members of the Committee present: Colleen Beaumier, Odina Desrochers, Paul Forseth, Christian Jobin, Val Meredith, Shawn Murphy, Beth Phinney and Judy Sgro.

Acting Members present: Alan Tonks for Hon. Jim Peterson.

In attendance: Library of Parliament: Jean Dupuis, Analyst; Brian O'Neal, Analyst.

Pursuant to Standing Order 108(3)(e), the Committee commenced consideration of a draft report on Chapter 7 (National Defence - Environmental Stewardship of Military Training and Test Areas) of the April 2003 Report of the Auditor General of Canada

It was agreed, — That the Committee adopt the Report as the TWENTY-THIRD REPORT of the Committee.

It was agreed, — That, pursuant to Standing Order 109, the Committee request that the Government table a comprehensive response to the report.

It was agreed, — That the Chair be authorized to make such grammatical and editorial changes as may be necessary without changing the substance of the report.

It was agreed, - That the Chair present the TWENTY-THIRD REPORT in the House

It was agreed, — That a Press Release be issued.

At 9:33 a.m., the Committee adjourned to the call of the Chair.

Richard Rumas
Clerk of the Committee

2003/10/21 1:21 p.m.

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 2nd SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 43

Thursday, October 23, 2003

ORDER OF THE DAY:

Consideration of the Special Report of the Auditor General of Canada (Audit of the financial management and administration of the Privacy Commissioner of Canada) of September 2003.

WITNESSES:

Office of the Auditor General of Canada:

Sheila Fraser, Auditor General of Canada.

Office of the Information Commissioner of Canada:

Hon. John Reid, Information Commissioner of Canada.

Privy Council Office:

Michelle Chartrand, Deputy Secretary to the Cabinet, Senior Personnel and Special Projects Secretariat;

Wayne McCutcheon, Director General, Senior Personnel and Special Projects Secretariat.

Treasury Board Secretariat:

Jim Judd, Secretary of the Treasury Board and Comptroller General of Canada.



Français

MINUTES OF PROCEEDINGS

Meeting No. 43

Thursday, October 23, 2003

The Standing Committee on Public Accounts met at 9:06 a.m. this day, in Room 209 West Block, the Chair, John Williams, presiding.

Members of the Committee present: Colleen Beaumier, Roger Gaudet, Christian Jobin, Val Meredith, Shawn Murphy, Judy Sgro, Tony Tirabassi and John Williams.

Acting Members present: John Bryden for John Finlay.

In attendance: Library of Parliament: Brian O'Neal, Analyst.

Witnesses: Office of the Auditor General of Canada: Sheila Fraser, Auditor General of Canada; Bruce Sloan, Principal. *Treasury Board Secretariat:* Jim Judd, Secretary of the Treasury Board and Comptroller General of Canada. *Privy Council Office:* Michelle Chartrand, Deputy Secretary to the Cabinet, Senior Personnel and Special Projects Secretariat; Wayne McCutcheon, Director General, Senior Personnel and Special Projects Secretariat. *Office of the Information Commissioner of Canada:* John M. Reid, Information Commissioner of Canada.

Pursuant to Standing Order 108(3)(e), the Committee resumed consideration of the Special Report of the Auditor General of Canada (Audit of the financial management and administration of the Privacy Commissioner of Canada) of September 2003.

Jim Judd made a statement and, with Sheila Fraser, answered questions.

At 10:05 a.m., the sitting was suspended.

At 10:49 a.m., the sitting resumed.

Questioning of Jim Judd and Sheila Fraser resumed.

Michelle Chartrand made a statement and, with the other witnesses, answered questions.

John Reid answered questions.

At 12:01 p.m., the Committee adjourned to the call of the Chair.

Richard Rumas
Clerk of the Committee

2003/10/23 3:01 p.m.

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 2nd SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 44

Tuesday, October 28, 2003

IN CAMERA



MINUTES OF PROCEEDINGS

Meeting No. 44

Tuesday, October 28, 2003

The Standing Committee on Public Accounts met *in camera* at 9:16 a.m. this day, in Room 209 West Block, the Chair, John Williams, presiding.

Members of the Committee present: Odina Desrochers, John Finlay, Philip Mayfield, Val Meredith, Shawn Murphy, Beth Phinney, Judy Sgro and John Williams.

Acting Members present: Carole-Marie Allard for Christian Jobin, Garry Breitkreuz for Paul Forseth, Jerry Pickard for Tony Tirabassi, Raymond Simard for Joe Peschisolido and Joseph Volpe for Hon. Jim Peterson.

In attendance: Library of Parliament: Jean Dupuis, Analyst; Brian O'Neal, Analyst.

Pursuant to Standing Order 108(3)(g), the Committee commenced consideration of a draft report on Chapter 10 (Department of Justice - Costs of Implementing the Canadian Firearms Program) of the December 2002 Report of the Auditor General of Canada

It was agreed, — That the Committee adopt the report as the TWENTY-FOURTH REPORT of the Committee.

It was agreed, — That, pursuant to Standing Order 109, the Committee request that the Government table a comprehensive response to the report.

It was agreed, — That the Chair be authorized to make such grammatical and editorial changes as may be necessary without changing the substance of the report.

It was agreed, - That the Chair present the TWENTY-FOURTH REPORT to the House

It was agreed, — That a News Release be issued.

At 10:32 a.m., the Committee adjourned to the call of the Chair.

Richard Rumas
Clerk of the Committee

2003/10/28 3:27 p.m.

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 2nd SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 45

Thursday, October 30, 2003

IN CAMERA



MINUTES OF PROCEEDINGS

Meeting No. 45

Thursday, October 30, 2003

The Standing Committee on Public Accounts met *in camera* at 9:09 a.m. this day, in Room 209 West Block, the Chair, John Williams, presiding.

Members of the Committee present: Colleen Beaumier, Odina Desrochers, Paul Forseth, Christian Jobin, Philip Mayfield, Val Meredith, Shawn Murphy, Judy Sgro, Tony Tirabassi and John Williams.

Acting Members present: Diane Bourgeois for Roger Gaudet.

In attendance: Library of Parliament: Jean Dupuis, Analyst; Brian O'Neal, Analyst.

Pursuant to Standing Order 108(3)(g), the Committee commenced consideration of a draft report on Chapter 5 (Citizenship and Immigration Canada - Control and Enforcement) of the April 2003 Report of the Auditor General of Canada

It was agreed, — That the Committee adopt the draft report as the TWENTY-FIFTH Report to the House.

It was agreed, — That pursuant to Standing Order 109, the Committee request that the Government table a comprehensive response to this Report.

It was agreed, — That the Chair be authorized to make such grammatical and editorial changes to the Report as may be necessary without changing the substance of the Report.

It was agreed, — That the Chair present the TWENTY-FIFTH Report to the House.

It was agreed, — That a Press Release be issued.

Pursuant to Standing Order 108(3)(g), the Committee commenced consideration of a draft report on Chapter 4 (Correctional Service Canada - Reintegration of Women Offenders) of the April 2003 Report of the Auditor General of Canada

At 10:59 a.m., the Committee adjourned to the call of the Chair.

Richard Rumas
Clerk of the Committee

2003/10/30 3:01 p.m.

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 2nd SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CA

Meeting No. 46

Tuesday, November 4, 2003

IN CAMERA



MINUTES OF PROCEEDINGS

Meeting No. 46

Tuesday, November 4, 2003

The Standing Committee on Public Accounts met *in camera* at 9:14 a.m. this day, in Room 209 West Block, the Vice-Chair, Beth Phinney, presiding.

Members of the Committee present: Colleen Beaumier, Odina Desrochers, Christian Jobin, Philip Mayfield, Beth Phinney, Judy Sgro, Tony Tirabassi and Judy Wasylcia-Leis.

Acting Members present: Diane Bourgeois for Roger Gaudet, Jim Gouk for Val Meredith and Stan Keyes for Hon. Jim Peterson.

In attendance: Library of Parliament: Jean Dupuis, Analyst; Brian O'Neal, Analyst.

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of a draft report on Chapter 4 (Correctional Service Canada - Reintegration of Women Offenders) of the April 2003 Report of the Auditor General of Canada

It was agreed, — That the Committee adopt the draft report as the TWENTY-SIXTH Report to the House.

It was agreed, — That pursuant to Standing Order 109, the Committee request that the Government table a comprehensive response to this Report.

It was agreed, — That the Chair be authorized to make such grammatical and editorial changes to the Report as may be necessary without changing the substance of the Report.

It was agreed, — That the Chair present the TWENTY-SIXTH Report to the House.

It was agreed, — That a Press Release be issued.

It was agreed, - That a supplementary opinion from the Bloc Québécois be appended to the Twenty-Sixth Report after the signature of the Chair, and that the opinion be limited to one page and be sent to the Clerk of the Committee in both official languages, in electronic format by noon Wednesday, November 5, 2003.

At 9:48 a.m., the Committee adjourned to the call of the Chair.

Richard Rumas
Clerk of the Committee

2003/11/04 1:42 p.m.

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 3rd SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

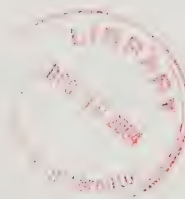
Chair: John Williams, CA

Meeting No. 1

Tuesday, February 10, 2004

ORDER OF THE DAY:

Election of a Chair and Vice-Chairs





MINUTES OF PROCEEDINGS

Meeting No. 1

Tuesday, February 10, 2004

The Standing Committee on Public Accounts met at 4:07 p.m. this day, in Room 371 West Block, for the purpose of electing a Chair, pursuant to Standing Order 106(1).

Members of the Committee present: Maurizio Bevilacqua, Odina Desrochers, Roger Gaudet, Marlene Jennings, Joe Jordan, Walt Lastewka, Dominic LeBlanc, Shawn Murphy, Beth Phinney, Alan Tonks and John Williams.

Acting Members present: John Bryden for Steve Mahoney, Christian Jobin for Dominic LeBlanc, Wendy Lill for Judy Wasylcia-Leis, Grant McNally for Philip Mayfield, Brian Pallister for Paul Forsyth and Greg Thompson for Val Meredith.

In attendance: House of Commons: Elizabeth B. Kingston, Committee Clerk. *Library of Parliament:* Brian O'Neal, Analyst; Jean Dupuis, Analyst.

The Clerk of the Committee presided over the election of a Chair.

On motion of Joe Jordan, it was agreed, - That John Williams be elected Chair of the Committee.

The Clerk of the Committee presided over the election of the Vice-Chairs.

On motion of Joe Jordan, it was agreed, - That Beth Phinney be elected Vice-Chair of the Committee.

On motion of Alan Tonks, it was agreed, - That Marlene Jennings be elected Vice-Chair of the Committee.

John Williams took the Chair.

On motion of Beth Phinney, it was agreed, - That the Chair, the two Vice-Chairs, an additional Liberal member and a representative of the Bloc Québécois and the New Democratic Party do compose the Subcommittee on Agenda and Procedure.

On motion of Marlene Jennings, it was agreed, - That the Committee retain the services of one or more analysts from the Library of Parliament, as needed, to assist the Committee in its work, at the discretion of the Chair.

On motion of Joe Jordan, it was agreed, - That the Chair be authorized to hold meetings to receive and publish evidence when a quorum is not present provided that at least five (5) members are present including three (3) government members and two (2) members of the opposition; and

That in the absence of a reduced quorum of five (5) members, the Chair be authorized to call the meeting in order to receive and publish evidence no sooner than 15 minutes after the time indicated on

the notice provided that three (3) members are present including one member of the Opposition and a member of the government.

On motion of Odina Desrochers, it was agreed, - That witnesses be given (5) minutes to make their opening statement and if they have additional information, it should be deposited with the Clerk of the Committee; and

That during the questioning of witnesses, there be allocated eight (8) minutes for the first questioner of each party and that thereafter four (4) minutes be allocated to each subsequent questioner, at the discretion of the Chair.

On motion of Marlene Jennings, it was agreed, - That, if requested, reasonable travel, accommodation and living expenses be reimbursed to witnesses not exceeding two (2) representatives per organization.

On motion of Marlene Jennings, it was agreed, - That the Clerk of the Committee be authorized to distribute documents to the members of the Committee only when they exist in both official languages.

On motion of Alan Tonks, it was agreed, - That the Clerk of the Committee be authorized to make the necessary arrangements to provide for working meals for the Committee and its subcommittees.

On motion of Alan Tonks, it was agreed, - That forty-eight (48) hours' written notice be given before any substantive motion is considered by the Committee.

On motion of Beth Phinney, it was agreed, - That the Auditor General of Canada be invited to appear before the Committee on Thursday, February 12, 2004 at 9:00 a.m.

At 4:19 p.m., the Committee adjourned to the call of the Chair.

Jeremy LeBlanc
Committee Clerk

2004/02/11 2:22 p.m.

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 3rd SESSION

EVIDENCE

STANDING COMMITTEE ON PUBLIC ACCOUNTS

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Meeting No. 2

Thursday, February 12, 2004

ORDER OF THE DAY:

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004.

MEMBERS OF THE COMMITTEE PRESENT:

Odina Desrochers,
Paul Forseth,
Peter Goldring,
Marlene Jennings,
Joe Jordan,
Walt Lastewka,
Dominic LeBlanc,
Philip Mayfield,
Shawn Murphy,
Beth Phinney,
Alan Tonks,
Judy Wasylycia-Leis
and John Williams.

ACTING MEMBERS PRESENT:

Diane Ablonczy for Val Meredith,
Roger Gallaway for Maurizio Bevilacqua,
Derek Lee for Steve Mahoney,
and Benoît Sauvageau for Roger Gaudet.

OTHER MEMBERS PRESENT:

Yvon Charbonneau.

IN ATTENDANCE:

Library of Parliament:
Jean Dupuis, Analyst.

WITNESSES:

Office of the Auditor General of Canada:
Sheila Fraser, Auditor General of Canada;
Shahid Minto, Assistant Auditor General;
Ronald Campbell, Assistant Auditor General;
Hugh McRoberts, Assistant Auditor General.

Jeremy LeBlanc
Committee Clerk



Français

MINUTES OF PROCEEDINGS

Meeting No. 2

Thursday, February 12, 2004

The Standing Committee on Public Accounts met in a televised session at 9:05 a.m. this day, in Room 253-D Centre Block, the Chair, John Williams, presiding.

Members of the Committee present: Odina Desrochers, Paul Forseth, Peter Goldring, Marlene Jennings, Joe Jordan, Walt Lastewka, Dominic LeBlanc, Philip Mayfield, Shawn Murphy, Beth Phinney, Alan Tonks, Judy Wasylcia-Leis and John Williams.

Acting Members present: Diane Ablonczy for Val Meredith, Roger Gallaway for Maurizio Bevilacqua, Derek Lee for Steve Mahoney and Benoît Sauvageau for Roger Gaudet.

Other Members present: Yvon Charbonneau.

In attendance: Library of Parliament: Jean Dupuis, Analyst.

Witnesses: Office of the Auditor General of Canada: Sheila Fraser, Auditor General of Canada; Shahid Minto, Assistant Auditor General; Ronald Campbell, Assistant Auditor General; Hugh McRoberts, Assistant Auditor General.

Pursuant to Standing Order 108(3)(g), the Committee commenced consideration of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004.

Sheila Fraser made a statement and, with the other witnesses, answered questions.

By unanimous consent, on motion of Odina Desrochers, it was agreed, - That the meeting of the Subcommittee on Agenda and Procedure regarding the selection of witnesses be held in public.

At 11:00 a.m., the Committee adjourned to the call of the Chair.

Jeremy LeBlanc
Committee Clerk

2004/02/13 9:30 a.m.

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 3rd SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CPC

Meeting No. 3

Tuesday, February 17, 2004

ORDER OF THE DAY:

Study of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004



MINUTES OF PROCEEDINGS

Meeting No. 3

Tuesday, February 17, 2004

The Standing Committee on Public Accounts met in a televised session at 9:08 a.m. this day, in Room 253-D Centre Block, the Chair, John Williams, presiding.

Members of the Committee present: Maurizio Bevilacqua, Odina Desrochers, Paul Forseth, Roger Gaudet, Peter Goldring, Marlene Jennings, Joe Jordan, Walt Lastewka, Dominic LeBlanc, Philip Mayfield, Beth Phinney, Alan Tonks, Judy Wasylycia-Leis and John Williams.

Acting Members present: Elinor Caplan for Steve Mahoney, Robert Lanctôt for Dominic LeBlanc, Dennis Mills for Shawn Murphy and Kevin Sorenson for Val Meredith.

Other Members present: Anita Neville.

In attendance: Library of Parliament: Jean Dupuis, Analyst; Brian O'Neal, Analyst.

Appearing: Hon. Reg Alcock, President of the Treasury Board.

Witnesses: House of Commons: Rob Walsh, Law Clerk and Parliamentary Counsel.

Pursuant to Standing Order 108(3)(g), the Committee commenced consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004.

The Minister made a statement and answered questions.

The Chair presented the First Report of the Subcommittee on Agenda and Procedure, as follows:

The Subcommittee met on Thursday, February 12, 2004 and agreed to make the following recommendations:

- That the Committee retain counsel from the Office of the Law Clerk and Parliamentary Counsel for the duration of its study into Chapters 3, 4 and 5 of the November 2003 Report of the Auditor General of Canada;
- That the Committee's main focus be on Chapters 3, 4 and 5 of the November 2003 Report of the Auditor General of Canada;
- That the Committee also examine, as time permits, Chapter 10 of the November 2003 Report, which includes the government purchase of Challenger jets, independent reviews of security and intelligence agencies and, the surplus in the Employment Insurance Account;

- That the Chair be authorized to write a letter to the Chair of the Standing Committee on Government Operations and Estimates encouraging that Committee to examine Chapter 2 of the November 2003 Report;

- That the Chair endeavour to hold three meetings a week; and

- That the evidence received by the Standing Committee on Public Accounts in relation to its study of the special report of the Auditor General of Canada on the audit of the financial management and administration of the Privacy Commissioner of Canada of September 2003 during the 2nd Session of the 37th Parliament be deemed adduced by the Committee in the current session.

On motion of Joe Jordan, it was agreed, - That the First Report of the Subcommittee on Agenda and Procedure be concurred in.

Judy Wasylycia-Leis moved, - That the Standing Committee on Public Accounts report to the House of Commons that the Committee urges the government to introduce effective whistle-blowing legislation at the earliest opportunity.

Debate arose thereon.

The question was put on the motion and it was agreed to.

Rob Walsh made a statement and answered questions.

At 10:11 a.m., Beth Phinney took the Chair.

At 10:15 a.m., John Williams took the Chair.

By unanimous consent, on motion of Joe Jordan, it was agreed, - That the Committee strike a subcommittee for the purpose of developing a process to address the issues around witnesses and testimony, that the subcommittee be composed of one member from each party and that the subcommittee have all the powers of the Committee except the power to report to the House.

At 11:07 a.m., the Committee adjourned to the call of the Chair.

Jeremy LeBlanc
Committee Clerk

2004/02/18 9:10 a.m.

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 3rd SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CPC

Meeting No. 4

Thursday, February 19, 2004

ORDER OF THE DAY:

Study of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada

Televised Meeting

WITNESSES:

Office of the Auditor General of Canada:

Louise Bertrand, Principal;

Ronald Campbell, Assistant Auditor General;

Sheila Fraser, Auditor General of Canada;

Shahid Minto, Assistant Auditor General;

Jean Ste-Marie, Legal Advisor and Assistant Auditor General;

Kathy O'Hara, Deputy Secretary to the Cabinet, Machinery of Government.



Français

MINUTES OF PROCEEDINGS

Meeting No. 4

Thursday, February 19, 2004

The Standing Committee on Public Accounts met in a televised session at 9:03 a.m. this day, in Room 237-C Centre Block, the Chair, John Williams, presiding.

Members of the Committee present: Hon. Maurizio Bevilacqua, Odina Desrochers, Paul Forseth, Roger Gaudet, Marlene Jennings, Hon. Joe Jordan, Dominic LeBlanc, Hon. Shawn Murphy, Beth Phinney, Alan Tonks, Judy Wasylycia-Leis and John Williams.

Acting Members present: Diane Ablonczy for Val Meredith, Joe Comartin for Judy Wasylycia-Leis, Gerald Keddy for Peter Goldring, Dennis Mills for Hon. Walt Lastewka, Pauline Picard for Roger Gaudet and Vic Toews for Philip Mayfield.

Associate Members present: John Bryden, Jason Kenney and Monte Solberg.

In attendance: Library of Parliament: Jean Dupuis, Analyst; Brian O'Neal, Analyst.

Witnesses: Office of the Auditor General of Canada: Sheila Fraser, Auditor General of Canada; Ronald Campbell, Assistant Auditor General; Shahid Minto, Assistant Auditor General; Jean Ste-Marie, Legal Advisor and Assistant Auditor General; Louise Bertrand, Principal. *Privy Council Office:* Kathy O'Hara, Deputy Secretary to the Cabinet, Machinery of Government.

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004.

The witnesses made statements and answered questions.

By unanimous consent, on motion of Odina Desrochers, it was agreed, — That the Government of Canada be ordered to provide the Committee with the names of individuals in departments, agencies and Crown corporations who authorized financial transactions described in Chapters 3, 4 and 5 of the Auditor General of Canada's November 2003 Report.

At 10:41 a.m., Beth Phinney took the Chair.

At 10:47 a.m., John Williams took the Chair.

At 11:43 a.m., Marlene Jennings took the Chair.

At 11:47 a.m., John Williams took the Chair.

By unanimous consent, on motion of Diane Ablonczy, it was agreed, — That the Government of Canada

be ordered to provide the Committee with a copy of all cabinet documents pertaining to the Sponsorship Program, including those surrounding its creation.

By unanimous consent, on motion of Vic Toews, it was agreed, — That the Government of Canada be ordered to provide the Committee with a copy of all contracts between the Communications Co-ordination Services Branch of Public Works and Government Services Canada and organizations mentioned in Chapters 3, 4 and 5 of the Auditor General of Canada's November 2003 Report.

By unanimous consent, on motion of Marlene Jennings, it was agreed, — That Canada Post be ordered to provide the Committee with the names of individuals who authorized financial transactions described in Chapters 3, 4 and 5 of the Auditor General's November 2003 Report.

At 12:53 p.m., the Committee adjourned to the call of the Chair.

Jeremy LeBlanc
Committee Clerk

2004/02/20 2:17 p.m.

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 3rd SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CPC

Meeting No. 5

Tuesday, February 24, 2004

ORDER OF THE DAY:

Study of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada

WITNESSES:

Department of Public Works and Government Services:

Yvette Aloisi, Assistant Deputy Minister, Corporate Services, Human Resources and Communications Branch;

George Butts, Director General, Acquisition Program, Integrity Secretariat Sector;

I. David Marshall, Deputy Minister.

Treasury Board of Canada Secretariat:

Jim Judd, Secretary of the Treasury Board and Comptroller General of Canada.



MINUTES OF PROCEEDINGS

Meeting No. 5

Tuesday, February 24, 2004

The Standing Committee on Public Accounts met in a televised session at 11:06 a.m. this day, in Room 253-D Centre Block, the Chair, John Williams, presiding.

Members of the Committee present: Maurizio Bevilacqua, Odina Desrochers, Paul Forseth, Marlene Jennings, Joe Jordan, Walt Lastewka, Dominic LeBlanc, Shawn Murphy, Beth Phinney, Alan Tonks, Judy Wasylycia-Leis and John Williams.

Acting Members present: Joe Comartin for Judy Wasylycia-Leis, Gerald Keddy for Val Meredith, Jason Kenney for Peter Goldring, Dennis Mills for Steve Mahoney, Pauline Picard for Roger Gaudet and Vic Toews for Philip Mayfield.

In attendance: Library of Parliament: Jean Dupuis, Analyst; Brian O'Neal, Analyst. *House of Commons:* Jeremy LeBlanc, Committee Clerk.

Witnesses: Department of Public Works and Government Services: I. David Marshall, Deputy Minister; Yvette Aloisi, Assistant Deputy Minister, Corporate Services, Human Resources and Communications Branch; Guy Bédard, Assistant Executive Director, Public Programs and Services Branch at Communication Canada; George Butts, Director General, Acquisition Program Integrity Secretariat Sector. *Treasury Board of Canada Secretariat:* Jim Judd, Secretary of the Treasury Board and Comptroller General of Canada.

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004.

The Chair tabled letters received from the President of Canada Post and the Auditor General of Canada and a letter dated February 24, 2004 and documents received from the Clerk of the Privy Council and Secretary to the Cabinet.

ORDERED, — That the documents received from the Privy Council and distributed to the members of the Committee today remain confidential until the beginning of the meeting on Thursday, February 26, 2004 and that a copy of the documents be given to the Press Gallery under embargo until the start of the Thursday meeting.

The Committee proceeded to the consideration of matters related to Committee business.

The Committee proceeded to the consideration of a draft report on Whistleblowing.

It was agreed, — That the draft report be adopted.

ORDERED, — That the Chair present the report to the House.

Dennis Mills moved, — That this Committee invite the Ministers and Deputy Ministers of Public Works and Treasury Board, for the period covering the sponsorship program, to appear as a panel to discuss their Ministerial responsibilities; and

- That, on February 26, 2004, the time provided is unlimited, only to be interrupted by question period, so that all questions can be answered and the issue can be dealt with expeditiously.

Debate arose thereon.

Judy Wasylycia-Leis moved, — That the motion be referred to the Subcommittee on Agenda and Procedure.

After debate, the question was put on the motion and it was negatived, by a show of hands: YEAS: 4; NAYS: 7.

The Committee resumed consideration of the motion of Dennis Mills, — That this Committee invite the Ministers and Deputy Ministers of Public Works and Treasury Board, for the period covering the sponsorship program, to appear as a panel to discuss their Ministerial responsibilities; and

- That, on February 26, 2004, the time provided is unlimited, only to be interrupted by question period, so that all questions can be answered and the issue can be dealt with expeditiously.

It was agreed, — That the motion be amended by replacing all of the words in the first paragraph with the following: “ - That the five Ministers of Public Works and the two Presidents of the Treasury Board and the two Deputy Ministers of Public Works and the two Secretaries of the Treasury Board for the period covering the sponsorship program be called to appear before the Committee in accordance with the schedule developed by the Subcommittee on Witnesses, starting on February 26 with Mr. Alphonso Gagliano”.

After debate, the question was put on the motion, as amended, and it was agreed to, by a show of hands: YEAS: 8; NAYS: 3.

The Chair presented the Second Report from the Subcommittee on Agenda and Procedure which read as follows:

The Subcommittee met on Thursday, February 19, 2004 and agreed to make the following recommendations:

1. - That, with regard to witnesses who may appear before the Committee in relation to its study of Chapters 3, 4 and 5 of the November 2003 Report of the Auditor General of Canada:

a) The Committee will decide which witnesses to call, based on discussions within the Committee or recommendations from the Subcommittee on Agenda and Procedure or the Subcommittee on Witness Protection and Testimony;

b) The Subcommittee on Witness Protection and Testimony may meet in camera with potential witnesses whose names are not in the public domain and make recommendations to the Committee as to the manner of receiving their evidence; and,

c) The Committee and its subcommittees may have the Office of the Law Clerk and Parliamentary Counsel meet with possible whistleblowers and make recommendations to the Committee or its subcommittees as to the manner of receiving their evidence.

2. - That, if required, the Committee hold meetings on March 1st and/or March 2 for the sole purpose of receiving and publishing evidence.

3. - That the Chair request that the Library of Parliament assign additional resources to the Committee for the duration of its study on Chapters 3, 4 and 5 of the November 2003 Report of the Auditor General of Canada, namely a forensic auditor and an investigator.

Walt Lastewka moved, — That the Second Report of the Subcommittee on Agenda and Procedure be concurred in.

After debate, the question was put on the motion and it was agreed to, by a show of hands: YEAS: 7; NAYS: 3.

The witnesses made statements and answered questions.

At 1:03 p.m., the Committee adjourned to the call of the Chair.

Bernard G. Fournier
Clerk of the Committee

2004/02/25 5:26 p.m.

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 3rd SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CPC

Meeting No. 6

Thursday, February 26, 2004

ORDER OF THE DAY:

Study of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada

WITNESSES:

Department of Public Works and Government Services:

Magali Fournier, Legal Counsel of Mr. Alfonso Gagliano;

I. David Marshall, Deputy Minister.

Treasury Board of Canada Secretariat:

Jim Judd, Secretary of the Treasury Board and Comptroller General of Canada.



MINUTES OF PROCEEDINGS

Meeting No. 6

Thursday, February 26, 2004

The Standing Committee on Public Accounts met in a televised session at 9:08 a.m. this day, in Room 237-C Centre Block, the Chair, John Williams, presiding.

Members of the Committee present: Odina Desrochers, Marlene Jennings, Joe Jordan, Walt Lastewka, Dominic LeBlanc, Shawn Murphy, Beth Phinney, Alan Tonks, Judy Wasylycia-Leis and John Williams.

Acting Members present: Gerald Keddy for Philip Mayfield, Jason Kenney for Val Meredith, Gary Lunn for Paul Forseth, Peter MacKay for Peter Goldring, Dennis Mills for Steve Mahoney, Benoît Sauvageau for Roger Gaudet and Elsie Wayne for Val Meredith.

In attendance: *Library of Parliament:* Jean Dupuis, Analyst; Brian O'Neal, Analyst. *House of Commons:* Jeremy LeBlanc, Committee Clerk.

Witnesses: *Treasury Board of Canada Secretariat:* Jim Judd, Secretary of the Treasury Board and Comptroller General of Canada. *Department of Public Works and Government Services:* I. David Marshall, Deputy Minister. Magali Fournier, Legal Counsel of Mr. Alfonso Gagliano.

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004.

The Chair tabled a letter dated February 24, 2004 from VIA Rail Canada and a letter dated February 25, 2004 from the Commissioner of the Royal Canadian Mounted Police.

The Chair presented the Third Report from the Subcommittee on Agenda and Procedure which read as follows:

The Subcommittee met on Tuesday, February 24, 2004 and agreed to make the following recommendations:

1. - That the Committee continue with Mr. Jim Judd and the officials from Public Works and Government Services at the meeting on February 26, 2004 from 9:00 to 11:00.
2. - That Mr. Alfonso Gagliano appear before the Committee on February 26, 2004, from 11:00 a.m. to 5:00 p.m., with a suspension for Question Period, or next week if he is not available on February 26, 2004.
3. - That the Subcommittee on the Protection of Witnesses and Testimony meet immediately after the committee meeting of February 26, 2004.

4. — That the following persons be tentatively scheduled to appear before the Committee: Ran Quail and Janice Cochrane, former Deputy Ministers of Public Works and Government Services, on Monday, March 1st, 2004, from 10:00 a.m. to 1:00 p.m.; Peter Harder and Frank Claydon, former Secretaries of the Treasury Board, on Tuesday, March 2, 2004, from 10:00 a.m. to 1:00 p.m.

On motion of Joe Jordan, it was agreed, — That the Third Report of the Subcommittee on Agenda and Procedure be concurred in.

Jim Judd and I. David Marshall made opening statements.

The Chair tabled a letter dated February 26, 2004 from the Deputy Minister of Public Works and Government Services and attachments.

It was agreed, — That the letter and attachments be distributed in the language received with translation to follow.

Jim Judd and I. David Marshall answered questions.

At 11:05, the sitting was suspended.

At 11:07, the sitting resumed.

Magali Fournier made a statement and answered questions.

The Chair tabled a copy of a letter dated February 26, 2004 received from the Auditor General of Canada.

At 11:29 a.m., the Committee adjourned to the call of the Chair.

Bernard G. Fournier
Clerk of the Committee

2004/02/27 11:41 a.m.

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 3rd SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CPC

Meeting No. 7

Monday, March 1st, 2004

ORDER OF THE DAY:

Study of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada

WITNESSES:

Canadian Centre for Management Development:

Janice Cochrane, President.

As Individual:

Ranald Quail.



MINUTES OF PROCEEDINGS

Meeting No. 7

Monday, March 1, 2004

The Standing Committee on Public Accounts met in a televised session at 10:23 a.m. this day, in Room 237-C Centre Block, the Chair, John Williams, presiding.

Members of the Committee present: Odina Desrochers, Paul Forseth, Marlene Jennings, Joe Jordan, Walt Lastewka, Alan Tonks and John Williams.

Acting Members present: Joe Comartin for Judy Wasylycia-Leis, Jason Kenney for Val Meredith, Marcel Proulx for Beth Phinney and Vic Toews for Peter Goldring.

In attendance: Library of Parliament: Jean Dupuis, Analyst; Brian O'Neal, Analyst. *House of Commons:* Jeremy LeBlanc, Committee Clerk.

Witnesses: Canadian Centre for Management Development: Janice Cochrane, President. *As an Individual:* Ranald Quail, Ottawa, Ontario.

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004.

The Chair tabled a copy of a letter dated February 29, 2004 and attachments from I. David Marshall, Deputy Minister, Public Works and Government Services, regarding the contractual documents relating to the sponsorship events described in Chapter 3 of the Auditor General Report.

The Chair presented the First Report of the Subcommittee on the Protection of Witnesses and Testimony which read as follows:

The Subcommittee met on Thursday, February 26, 2004 and agreed to report as follows:

The Chair provided the members of the Subcommittee numbered copies of the content of the brown envelope and after discussion the copies were returned to the Clerk.

The Subcommittee agreed to make the following recommendations:

1. - That the Committee present a Report to the House indicating that the Committee agrees with the President of the Treasury Board that the whistleblowing legislation be applied retroactively to witnesses appearing before this Committee in relation to its study of Chapters 3, 4 and 5 of the November 2003 Report of the Auditor General of Canada and that the Report indicate that there be no administrative sanction for anyone below the level of Director General who broke the Financial Administration Act in regard to the sponsorship program provided that they received no benefit whatsoever.

2. That Joseph Charles Guité and Pierre Tremblay be requested to appear before the Committee in March 2004.

3. - That the Committee meeting with the Hon. Alfonso Gagliano be held on March 18, 19 or 17 from 9:00 a.m. to 11: 00 a.m., 11:30 a.m. to 1:00 p.m. and 2:30 p. m. to 4:00 p.m. with the possibility of continuing with the witness on the next sitting day.

The witnesses made statements and answered questions.

At 1:30 p.m., the Committee adjourned until Tuesday, March 2, 2004 at 10:00 a.m.

Bernard G. Fournier
Clerk of the Committee

2004/03/02 3:58 p.m.

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 3rd SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CPC

Meeting No. 8

Tuesday, March 2, 2004

ORDER OF THE DAY:

Study of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada

WITNESS:

Department of Foreign Affairs and International Trade:

Peter Harder, Deputy Minister.



Français

MINUTES OF PROCEEDINGS

Meeting No. 8

Tuesday, March 2, 2004

The Standing Committee on Public Accounts met in a televised session at 10:05 a.m. this day, in Room 253-D Centre Block, the Chair, John Williams, presiding.

Members of the Committee present: Odina Desrochers, Paul Forseth, Marlene Jennings, Joe Jordan, Walt Lastewka, Alan Tonks and John Williams.

Acting Members present: Joe Comartin for Judy Wasylycia-Leis, Jason Kenney for Peter Goldring, Gary Lunn for Val Meredith and Vic Toews for Philip Mayfield.

In attendance: Library of Parliament: Jean Dupuis, Analyst; Brian O'Neal, Analyst. *House of Commons:* Jeremy LeBlanc, Committee Clerk; Rob Walsh, Law Clerk and Parliamentary Counsel.

Witnesses: Department of Foreign Affairs and International Trade: Peter Harder, Deputy Minister.

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004.

The Chair tabled a copy of a letter dated February 27, 2004 from André Bourdeau, Acting President and Chief Executive Officer of the Business Development Bank of Canada and a copy of a letter dated February 25, 2004 from Hélène Laurendeau, Special Advisor, Cabinet Confidences, Legislation and House Planning.

The witness made a statement and answered questions.

At 12:45 p.m., the Committee adjourned to the call of the Chair.

Bernard G. Fournier
Clerk of the Committee

2004/03/04 2:26 p.m.

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 3rd SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CPC

Meeting No. 9

Thursday, March 11, 2004

ORDER OF THE DAY:

Study of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada

WITNESSES:

Office of the Auditor General of Canada:

Sheila Fraser, Auditor General of Canada;

David Rattray, Assistant Auditor General.

As Individual:

Allan Cutler.

MINUTES OF PROCEEDINGS

Meeting No. 9

Tuesday, March 11, 2004

Standing Committee on Public Accounts met in a televised session at 9:14 a.m. this day, in Room 237-C Centre Block, the Chair, John Williams, presiding.

Members of the Committee present: Odina Desrochers, Marlene Jennings, Dominic LeBlanc, Hon. Shawn Murphy, Beth Ney, Alan Tonks, Judy Wasylcia-Leis and John Williams.

Guest Members present: Diane Ablonczy for Val Meredith, Larry McCormick for Hon. Walt Lastewka, Dennis Mills for Joe Jordan, Benoît Sauvageau for Roger Gaudet and Vic Toews for Philip Mayfield.

Attendance: *Library of Parliament:* Jean Dupuis, Analyst; Brian O'Neal, Analyst. *House of Commons:* Rob Walsh, Law Clerk and Parliamentary Counsel; Jeremy LeBlanc, Committee Clerk.

Witnesses: *Office of the Auditor General of Canada:* Sheila Fraser, Auditor General of Canada; David Rattray, Assistant Auditor General. *As an Individual:* Allan Cutler.

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004.

The Chair tabled a copy of a letter dated March 4, 2004, from Alex Himelfarb, Clerk of the Privy Council along with additional cabinet documents relating to the sponsorship program, as well as a letter dated March 10, 2004, from I. David Marshall, Deputy Minister of Public Works and Government Services along with a series of documents requested by the Committee.

On unanimous consent, Marlene Jennings moved, — That the Chair, on behalf of the Committee, write a letter to the Department of Public Works and Government Services, requesting that PWGSC write all parties who received a sponsorship grant from the time of the program's inception and ask those parties to provide a description of their event, when they first learned of the sponsorship program, how they applied for the grant, the amount of moneys that were received each year and the amount of money that they actually received each year for their event;

That a copy of the organization's response be provided to the Clerk; and,

That PWGSC provide the Committee with a summary of this information broken down by constituency.

After debate, the question was put on the motion and it was agreed to.

The Chair presented the Second Report from the Subcommittee on the Protection of Witnesses and Testimony which reads as follows:

The Subcommittee met on Tuesday, March 2 and Tuesday, March 9, 2004 and agreed to make the following recommendations:

That the Report to the House recommended by the Subcommittee in its First Report to the Committee include a recommendation that a mediation process be established involving the Public Service Commission and the Public Service

Integrity Officer to resolve matters relating to employees who suffered any loss as a consequence of having reported instances of wrongdoing with regard to the sponsorship program; and that the instances judged to have merit be reported to the House;

That the Law Clerk draft a letter to be given to witnesses who appear before the Committee advising them of the Committee's Report to the House respecting the protection of witnesses;

That, if requested, reasonable travel, accommodation and living expenses, as well as reasonable childcare expenses, be reimbursed to witnesses who appear before the Subcommittee, and that these expenses be charged to the budget of the Committee; and,

That Allan Culter appear before the Committee on Thursday, March 11, 2004.

By unanimous consent, it was agreed, — That the First Report of the Subcommittee on the Protection of Witnesses and Testimony, presented to the Committee on Monday, March 1, 2004, and the Second Report of the Subcommittee on the Protection of Witnesses and Testimony, presented to the Committee earlier this day, be concurred in.

The Committee commenced consideration of a draft report on whistleblowing.

By unanimous consent, it was agreed, — That the draft report be adopted.

ORDERED, — That the Chair present the report to the House.

By unanimous consent, Marlene Jennings moved, — That the Privy Council Office be ordered to provide to the Committee copies of the minutes and all records from all meetings of any cabinet committee or ad hoc committee (including all documents created and generated by such committee) wherein communications and sponsorship activities/programs were discussed between January 1, 1994 and February 10, 2004.

After debate, the question was put on the motion and it was agreed to.

The witnesses made statements and answered questions.

At 12:09 p.m., the sitting was suspended.

At 12:19 p.m., the sitting resumed.

By unanimous consent, on motion of Marlene Jennings, it was agreed, — That the Committee request that the Right Honourable Paul Martin, Prime Minister of Canada, authorize that all members of the Privy Council and public office holders called to appear before this Committee be released from their oath of secrecy and confidentiality in matters directly related to Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities, and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada.

By unanimous consent, on motion of Marlene Jennings, it was agreed, — That the Committee request that the Prime Minister and the Clerk of the Privy Council immediately inform all departments and Crown corporations that the production of any and all documents requested by this Committee be produced in their entirety and retroactively, notwithstanding the *Privacy Act* and the *Protection of Personal Information and Electronic Documents Act*, and that should any part or parts of said documents be subject to said legislations, the department or Crown corporation so informed appear before the Committee in a separate and covering document.

At 12:59 p.m., the Committee adjourned to the call of the Chair.

Clerk of the Committee

3/16 3:14 p.m.

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 3rd SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CPC

Meeting No. 10

Thursday, March 18, 2004

ORDER OF THE DAY:

Study of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada

WITNESSES:

Office of the Auditor General of Canada:

Sheila Fraser, Auditor General of Canada.

As Individual:

Hon. Alfonso Gagliano.

MINUTES OF PROCEEDINGS

g No. 10

ay, March 18, 2004

anding Committee on Public Accounts met in a televised session at 9:12 a.m. this day, in Room 253-D Centre the Chair, John Williams, presiding.

Members of the Committee present: Odina Desrochers, Marlene Jennings, Dominic LeBlanc, Beth Phinney, Alan Tonks, Vasylycia-Leis and John Williams.

Members present: Diane Ablonczy for Philip Mayfield, Christian Jobin for Hon. Steve Mahoney, Jason Kenney er Goldring, Judi Longfield for Hon. Steve Mahoney, Peter MacKay for Val Meredith, Dennis Mills for Hon. io Bevilacqua, John O'Reilly for Hon. Walt Lastewka, Pauline Picard for Roger Gaudet, Karen Redman for Hon. dan and Vic Toews for Paul Forseth.

Attendance: Library of Parliament: Jean Dupuis, Analyst; Brian O'Neal, Analyst.

Guests: As an Individual: Hon. Alfonso L. Gagliano. *Office of the Auditor General of Canada:* Sheila Fraser, Auditor al of Canada.

Participants present: As an Individual: Pierre Fournier, Counsel to the Hon. Alfonso Gagliano.

nt to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, r 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report Auditor General of Canada referred to the Committee on February 10, 2004.

Chair presented the Fourth Report from the Subcommittee on Agenda and Procedure which reads as follows:

Subcommittee met on Thursday, March 11, 2004 and agreed to make the following recommendations:

If required, the Committee sit on Tuesdays and Thursdays from 9 a.m. to 1 p.m. and on Wednesdays from 3:30 to m..

The Committee hold one meeting to consider both the Public Accounts of Canada for 2002-03 and Vote 20 under NCE of the Main Estimates 2004-05.

The Auditor General of Canada be invited to appear before the Committee for 15 minutes on Thursday, April 1st, n order to present an overview of her March 2004 report.

Charles Guité be invited to appear before the Committee on Thursday, March 25, 2004 at 9:00 a.m.

agreed — That the words “if required” be removed.

so Gagliano made a statement and answered questions.

05 a.m., the sitting was suspended.

34 a.m., the sitting resumed.

At 1:03 p.m., the sitting was suspended.

At 2:33 p.m., the sitting resumed.

Sheila Fraser made a statement and answered questions.

By unanimous consent, on motion of Alan Tonks, it was agreed, — That pursuant to the authority provided to the Committee to summon witnesses, that Mr. Charles Guité be summoned to appear before the Public Accounts Committee at a date to be arrived at by the Chairman, but no later than April 1, 2004.

At 4:12 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee

2004/03/19 5:02 p.m.

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 3rd SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CPC

Meeting No. 11

Friday, March 19, 2004

ORDER OF THE DAY:

Study of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada

WITNESS:

As Individual:

Hon. Alfonso Gagliano.



Français

MINUTES OF PROCEEDINGS

Meeting No. 11

Friday, March 19, 2004

The Standing Committee on Public Accounts met in a televised session at 9:07 a.m. this day, in Room 237-C Centre Block, the Chair, John Williams, presiding.

Members of the Committee present: Odina Desrochers, Marlene Jennings, Hon. Shawn Murphy, Beth Phinney, Alan Tonks, Judy Wasylcyia-Leis and John Williams.

Acting Members present: Diane Ablonczy for Paul Forseth, Michel Gauthier for Roger Gaudet, Jason Kenney for Val Meredith, Judi Longfield for Hon. Walt Lastewka, Peter MacKay for Peter Goldring, Dennis Mills for Hon. Joe Jordan, John O'Reilly for Hon. Steve Mahoney and Vic Toews for Philip Mayfield.

In attendance: Library of Parliament: Brian O'Neal, Analyst. *House of Commons:* Rob Walsh, Law Clerk and Parliamentary Counsel.

Witnesses: As an Individual: Hon. Alfonso L. Gagliano.

Other Participants present: As an Individual: Pierre Fournier, Counsel to the Hon. Alfonso Gagliano.

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004.

The witness answered questions.

At 11:09 a.m., Beth Phinney took the Chair.

At 11:13 a.m., John Williams took the Chair.

At 11:55 a.m., the sitting was suspended.

At 12:03 p.m., the sitting resumed.

At 1:06 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee

2004/03/19 5:01 p.m.

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 3rd SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CPC

Meeting No. 12

Tuesday, March 23, 2004

ORDER OF THE DAY:

Study of matters related to Committee business



MINUTES OF PROCEEDINGS

Meeting No. 12

Tuesday, March 23, 2004

The Standing Committee on Public Accounts met in a televised session at 9:07 a.m. this day, in Room 237-C Centre Block, the Chair, John Williams, presiding.

Members of the Committee present: Odina Desrochers, Paul Forseth, Marlene Jennings, Hon. Joe Jordan, Dominic LeBlanc, Hon. Shawn Murphy, Beth Phinney, Alan Tonks, Judy Wasylycia-Leis and John Williams.

Acting Members present: Diane Ablonczy for Philip Mayfield, Christian Jobin for Hon. Steve Mahoney, Jason Kenney for Peter Goldring, Dennis Mills for Hon. Maurizio Bevilacqua, Hon. Robert Thibault for Hon. Walt Lastewka, Tony Tirabassi for Hon. Walt Lastewka and Vic Toews for Val Meredith.

In attendance: Library of Parliament: Brian O'Neal, Analyst; Jean Dupuis, Analyst.

The Committee proceeded to the consideration of matters related to Committee business.

Pursuant to Standing Order 39(5)(b), the Committee commenced consideration of the failure of the Ministry to respond to written question No. Q-6 on the Order Paper referred to the Committee on March 22, 2004 and which read as follows: Mr. Merrifield (Yellowhead) — With regard to grants and contributions made by the government in the riding of Yellowhead for each fiscal year since 1999-2000: (a) what was the amount disbursed to each recipient; (b) which government department was involved; (c) what was the name of the recipient organization or business; and (d) what was the address of the recipient organization or business?

It was agreed, — That the Clerks write to the Departments of Justice, Canadian Heritage and Public Safety requesting that they respond to the Member within ten (10) days, and failing that, that the question be brought back to the attention of the Committee.

The Chair presented the Fourth Report from the Subcommittee on Agenda and Procedure which read as follows:

The Subcommittee met on Thursday, March 11, 2004 and agreed to make the following recommendations:

That, if required, the Committee sit on Tuesdays and Thursdays from 9 a.m. to 1 p.m. and on Wednesdays from 3:30 to 5:30 p.m..

That the Committee hold one meeting to consider both the Public Accounts of Canada for 2002-03 and Vote 20 under FINANCE of the Main Estimates 2004-05.

That the Auditor General of Canada be invited to appear before the Committee for 15 minutes on Thursday, April 1st, 2004 in order to present an overview of her March 2004 report.

That Charles Guité be invited to appear before the Committee on Thursday, March 25, 2004 at 9:00 a.m.

It was agreed, — That the motion be amended by deleting the words “if required”.

It was agreed, — That the report be further amended by deleting paragraphs 3 and 4 and by substituting the following therefor:

That the Committee hold one meeting on Wednesday, March 31, 2004, to consider the Public Accounts of Canada for 2002-03, Vote 20 under FINANCE of the Main Estimates 2004-05, and the March 2004 Report of the Auditor General.

That the report be further amended, by replacing the words “Thursday, March 25, 2004” with the following: “Thursday, April 1, 2004”

It was agreed, — That the report of the Subcommittee, as amended, be concurred in.

It was agreed, — That the draft report on the Peer Review of the Office of the Auditor General of Canada, as amended, be adopted as the Third Report of the Committee.

It was agreed, — That the Chair be authorized to make such typographical and editorial changes as may be necessary without changing the substance of the Report.

ORDERED, — That the Chair be instructed to present the report to the House at the earliest opportunity.

Vic Toews moved, — That the Committee request the Privy Council office and/or the Prime Minister's Office to send to the Committee all documents setting out the mandate given to Mr. Gagliano in his capacity as Minister of Public Works and Government Services, including all “Instruments of Advice”, notes, memoranda and other similar or related instruments.

Debate arose.

It was agreed, — That the motion be amended by adding after the words “related instruments” the following: “within the mandate of the Committee”.

The motion, as amended, carried.

Vic Toews moved, — That based on the evidence presented by former Minister Alfonso Gagliano and reference to “briefings”, all documents pertaining to those briefings including briefing books, notes, memos and agenda items, day timers, etc. be tabled and made available to the public accounts committee for examination in these deliberations.

The question was put on the motion and it was negatived, by a show of hands: YEAS: 3; NAYS: 7.

Judy Wasylycia-Leis moved, — That the Committee request that a copy of the daily agendas for all ministers of the Crown between November 1993 and December 2003 be forwarded to the Committee's counsel for his review; and,

That the Committee's counsel forward to members of the Committee those portions that are relevant to the Committee's study of Chapters 3, 4 and 5 of the Auditor General's November 2003 Report.

Debate arose.

Marlene Jennings moved, — That the motion be amended by replacing the words “all ministers of the Crown” with the words “former Deputy Minister Ronald Quail, former Minister Alfonso Gagliano and Charles Guité”.

Debate arose on the amendment.

The question being put on the amendment, it was agreed to.

Marlene Jennings moved, — That the motion be further amended by adding after the words “daily agendas” the following: “and records of incoming calls to those offices”.

Debate arose on the amendment.

The question was put on the amendment of Marlene Jennings and it was negatived, by a show of hands: YEAS: 2; NAYS: 8.

The motion, as amended, was agreed to.

On motion of Judy Wasylycia-Leis, it was agreed, — That the Committee request the names of all assistants and policy advisers to the Minister of Public Works and Government Services who had responsibility for the sponsorship file between June 1997 and June 2002.

On motion of Marlene Jennings, it was agreed, — That, at its regularly scheduled meeting on Tuesday, March 23, 2004 at 9 a.m., the Committee determine its witness list and exact date and times each witness will be called to appear on such dates it shall determine.

On motion of Dennis Mills, it was agreed, — That the Committee be provided with all documentation related to all production costs associated with the \$ 83, 829, 488 allocated to the 1986 separate sponsorship program approved events from 1997 to 2003, as outlined in the documents provided to the Committee by Mr. Marshall, Deputy Minister of PWGSC, entitled “Sponsorship Program – Estimated Expenditures and Events Sponsored”.

At 10:22 a.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee

2004/03/25 3:02 p.m.

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 3rd SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CPC

Meeting No. 13

Tuesday, March 23, 2004

ORDER OF THE DAY:

Study of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada



Français

MINUTES OF PROCEEDINGS

Meeting No. 13

Tuesday, March 23, 2004

The Standing Committee on Public Accounts met at 10:42 a.m. this day, in Room 306 West Block, the Chair, John Williams, presiding.

Members of the Committee present: Odina Desrochers, Marlene Jennings, Hon. Joe Jordan, Dominic LeBlanc, Hon. Shawn Murphy, Beth Phinney, Alan Tonks, Judy Wasylycia-Leis and John Williams.

Acting Members present: Diane Ablonczy for Philip Mayfield, Christian Jobin for Hon. Steve Mahoney, Dennis Mills for Hon. Maurizio Bevilacqua and Hon. Robert Thibault for Hon. Walt Lastewka.

In attendance: Library of Parliament: Brian O'Neal, Analyst; Jean Dupuis, Analyst. *House of Commons:* Rob Walsh, Law Clerk and Parliamentary Counsel.

Other Participants present: KPMG: Mark Brenning, Forensic Auditor; Greg McEvoy, Forensic Auditor.

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004.

At 10:43 a.m., the sitting was suspended.

At 10:44 a.m., the sitting resumed.

By unanimous consent, Odina Desrochers moved, — That the Public Accounts Committee obtain the following documents:

- all documents containing references to the use of the Privy Council Office's national unity fund (for example, but not exclusively, the annual financial statement for this fund since its creation, the financial initiatives undertaken by the fund each year, and the amounts allocated to each such initiative);
- all documents involved in the management review carried out by Treasury Board in 2002 that deal with evaluation of advertising and public opinion activities;
- extracts from the Question Period binders of ministers Paul Martin, Jean Chrétien, Lucienne Robillard, Marcel Massé, David Dingwall, Diane Marleau, Alfonso Gagliano, Don Boudria and Denis Coderre involving advertising contracts and sponsorships;
- all internal PWGSC documents used as the basis for the Directed Audit of the Management of Sponsorship at PWGSC carried out in 2000.

The question was put on the motion and it was negatived, by a show of hands: YEAS: 3; NAYS: 8.

It was agreed, — That the Committee proceed to sit *in camera*.

At 11:04 a.m., the sitting was suspended.

At 11:10 a.m., the Committee proceeded to sit *in camera*.

It was agreed, — That the Committee would review witnesses in the following order:

1. Heads of Crown Corporation directly involved
2. Advertising Agencies
3. Administrations
4. Whistleblowers
5. Ministers directly involved
6. Industry professionals
7. Other selected Ministers
8. Grant recipients

At 1:02 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee

2004/03/26 2:36 p.m.

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 3rd SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CPC

Meeting No. 14

Wednesday, March 24, 2004

ORDER OF THE DAY:

Study of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada

WITNESS:

As Individual:

Myriam Bédard.

MINUTES OF PROCEEDINGS

Meeting No. 14

Tuesday, March 24, 2004

The Standing Committee on Public Accounts met in a televised session at 3:35 p.m. this day, in Room 237-C Centre Block, Ottawa, Ontario, Canada, with the Chair, John Williams, presiding.

Members of the Committee present: Odina Desrochers, Paul Forseth, Marlene Jennings, Hon. Joe Jordan, Dominic LeBlond, Hon. Shawn Murphy, Beth Phinney, Alan Tonks, Judy Wasylycia-Leis and John Williams.

Members present: Diane Ablonczy for Philip Mayfield, Christian Jobin for Hon. Steve Mahoney, Jason Kenney for Paul Forseth, Jason Kenney for Val Meredith, Judi Longfield for Hon. Walt Lastewka, Peter MacKay for Peter MacKay, Dennis Mills for Hon. Maurizio Bevilacqua, Caroline St-Hilaire for Roger Gaudet and Vic Toews for Val McCarry.

Members present: Michel Guimond.

Attendance: Library of Parliament: Jean Dupuis, Analyst; Brian O'Neal, Analyst. *House of Commons:* Rob Walsh, Law Clerk and Parliamentary Counsel.

Guests: As an Individual: Myriam Bédard.

Participants present: As an Individual: Nima Mazhari.

At the meeting, pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004.

Myriam Bédard made a statement and answered questions.

At 2 p.m., Beth Phinney took the Chair.

At 3:00 p.m., John Williams took the Chair.

At 4:02 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee

2004/03/26 10:06 a.m.

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 3rd SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CPC

Meeting No. 15

Thursday, March 25, 2004

ORDER OF THE DAY:

Study of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada

WITNESSES:

House of Commons:

Hon. Diane Marleau, Lib., Member from *Sudbury*.

KPMG:

Paul Levine, Forensic Auditor.

As Individual:

Huguette Tremblay.



MINUTES OF PROCEEDINGS

Meeting No. 15

Thursday, March 25, 2004

The Standing Committee on Public Accounts met in a televised session at 9:08 a.m. this day, in Room 237-C Centre Block, the Chair, John Williams, presiding.

Members of the Committee present: Marlene Jennings, Hon. Walt Lastewka, Dominic LeBlanc, Hon. Shawn Murphy, Beth Phinney, Alan Tonks, Judy Wasylycia-Leis and John Williams.

Acting Members present: Diane Ablonczy for Philip Mayfield, Monique Guay for Odina Desrochers, Michel Guimond for Roger Gaudet, Jason Kenney for Paul Forseth, Peter MacKay for Peter Goldring, Dennis Mills for Hon. Maurizio Bevilacqua, Hon. Robert Thibault for Hon. Steve Mahoney and Vic Toews for Val Meredith.

In attendance: Library of Parliament: Jean Dupuis, Analyst; Brian O'Neal, Analyst. *House of Commons:* Gregory Tardi, Senior Legal Counsel; Rob Walsh, Law Clerk and Parliamentary Counsel.

Witnesses: As an Individual: Huguette Tremblay.

Other Participants present: KPMG: Mark Brenning, Forensic Auditor; Paul Levine, Forensic Auditor. *As an Individual:* Michel Swanston, Counsel to Huguette Tremblay.

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004.

On motion of Alan Tonks, it was agreed, — That the Committee hear at least two witnesses should Charles Guité fail to appear on April 1, 2004, that they both be heads of advertising agencies named in the November 2003 Auditor General's Report, and that one of those witnesses be Jean Lafleur if scheduling permits.

On motion of Marlene Jennings, it was agreed, — That this Committee, in addition to its meetings scheduled on April 5, 6 and 7, 2004, meet on two (2) days during the week of April 12, 2004, ie. Tuesday, April 13, 2004 and Wednesday, April 14, 2004, for the purpose of hearing witnesses on Tuesday, April 12, 2004 and for receiving a submission by the Co-Clerks, Law Clerk and Analysts of a draft First Report based upon all evidence received to date by this Committee.

By unanimous consent, on motion of Diane Ablonczy, it was agreed, — That any persons, whether public servants or members of the general public, having information that the person considers relevant to the sponsorship inquiry of this Committee, but who are reluctant or unwilling at this time to come forward publicly, be invited to contact the Public Accounts Committee legal counsel, the Law Clerk, by telephone at (613) 996-1057 or by fax at (613) 992-4317, and that these persons be assured that the Law Clerk will be bound by this motion to respect the privacy of such calls as if governed by solicitor-client privilege, that is, with absolute confidentiality as to the identity of the person providing the information;

And, that further, that this Committee requests the above arrangement for a completely confidential Committee contact be published at the beginning and end of each televised meeting of this Committee.

Huguette Tremblay made a statement and answered questions.

At 10:38 a.m., Marlene Jennings took the Chair.

At 10:43 a.m., John Williams took the Chair.

At 11:43 a.m., the sitting was suspended.

At 12:03 p.m., the sitting resumed.

The Honourable Diane Marleau made a statement and answered questions.

At 12:56 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee

2004/03/26 2:36 p.m.

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 3rd SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CPC

Meeting No. 16

Monday, March 29, 2004

ORDER OF THE DAY:

Study of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada

WITNESS:

Department of Public Works and Government Services:

Norman Steinberg, Director General, Audit and Ethics Branch.



Français

MINUTES OF PROCEEDINGS

Meeting No. 16

Monday, March 29, 2004

The Standing Committee on Public Accounts met in a televised session at 11:18 a.m. this day, in Room 237-C Centre Block, the Chair, John Williams, presiding.

Members of the Committee present: Odina Desrochers, Marlene Jennings, Hon. Joe Jordan, Hon. Walt Lastewka, Dominic LeBlanc, Hon. Shawn Murphy, Beth Phinney, Alan Tonks, Judy Wasylycia-Leis and John Williams.

Acting Members present: Diane Ablonczy for Val Meredith, Jason Kenney for Paul Forseth, Peter MacKay for Peter Goldring, Dennis Mills for Hon. Maurizio Bevilacqua, Hon. Robert Thibault for Hon. Steve Mahoney and Vic Toews for Philip Mayfield.

In attendance: Library of Parliament: Brian O'Neal, Analyst. *House of Commons:* Rob Walsh, Law Clerk and Parliamentary Counsel.

Witnesses: Department of Public Works and Government Services: Norman Steinberg, Director General, Audit and Ethics Branch.

Other Participants present: KPMG: Mark Brenning, Forensic Auditor.

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004.

Norman Steinberg made a statement and answered questions.

At 12:15 p.m., the sitting was suspended.

At 12:26 p.m., the sitting resumed.

At 12:59 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee

2004/03/30 1:58 p.m.

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 3rd SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CPC

Meeting No. 17

Monday, March 29, 2004

ORDER OF THE DAY:

Consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004.

WITNESS:

Department of Public Works and Government Services:

Norman Steinberg, Director General, Audit and Ethics Branch.

MINUTES OF PROCEEDINGS

Meeting No. 17

Monday, March 29, 2004

Standing Committee on Public Accounts met in a televised session at 3:31 p.m. this day, in Room 237-C Centre Block, the Chair, John Williams, presiding.

Members of the Committee present: Odina Desrochers, Marlene Jennings, Hon. Joe Jordan, Hon. Walt Lastewka, Dominic LeBlanc, Hon. Shawn Murphy, Beth Phinney, Alan Tonks, Judy Wasylycia-Leis and John Williams.

Guest Members present: Diane Ablonczy for Val Meredith, Sébastien Gagnon for Roger Gaudet, Christian Jobin for Hon. Walt Lastewka, Christian Jobin for Hon. Shawn Murphy, Jason Kenney for Paul Forseth, Peter MacKay for Peter Bravington, Dennis Mills for Hon. Maurizio Bevilacqua, Hon. Robert Thibault for Hon. Steve Mahoney and Vic Toews for Philip Mayfield.

Attendance: Library of Parliament: Brian O'Neal, Analyst. *House of Commons:* Rob Walsh, Law Clerk and Parliamentary Counsel.

Guests: Department of Public Works and Government Services: Norman Steinberg, Director General, Audit and Accounts Branch.

Participants present: KPMG: Mark Brenning, Forensic Auditor.

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004.

On the motion of Diane Ablonczy, it was agreed, — That, pursuant to its study of Chapters 3, 4 and 5 of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004, this Committee requests that the Government table all minutes, or documents pertaining to the Ad-Hoc Committee of Cabinet on Government Communications, without exception.

On the motion of Diane Ablonczy, it was agreed, — That, pursuant to its study of Chapters 3, 4 and 5 of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004, this Committee requests that the Government provide the mandate of the former Ad-Hoc Committee of Cabinet on Government Communications.

On the motion of Peter MacKay, it was agreed, — That, pursuant to its study of Chapters 3, 4 and 5 of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004, this Committee requests that the Government provide all correspondence received by any Minister (public servant or departmental office), from the type Everest or Groupaction, Lafleur Communications, or any subsidiary that may exist or have existed under a different name or registered entity, without exception.

On the motion of Peter MacKay, it was agreed, — That, pursuant to its study of Chapters 3, 4 and 5 of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004, this Committee requests that the Government provide the curriculum vitae for Ministers of Public Works from 1993 to 2004.

On the motion of Vic Toews, it was agreed, — That, pursuant to its study of Chapters 3, 4 and 5 of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004, the Government provide to the Standing Committee on Public Accounts the names of recipients and all documentation (including authorizations)

pertaining to funds spent from the National Unity Fund from 1996 until 2004.

Marlene Jennings moved, — That, pursuant to its study of Chapters 3, 4 and 5 of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004, the evidence received by the Standing Committee on Public Accounts in relation to its study of the Report of the Auditor General of Canada dated May 8, 2002 on Groupaction Communications during the 1st Session of the 37th Parliament be deemed received by the Committee in the current session.

The question was put on the motion and it was agreed to on the following recorded division: YEAS: Diane Ablonczy, Odina Desrochers, Sébastien Gagnon, Marlene Jennings, Joe Jordan, Jason Kenney, Walt Lastewka, Dominic LeBlond, Peter MacKay, Dennis Mills, Shawn Murphy, Beth Phinney, Robert Thibault, Vic Toews, Alan Tonks, Judy Wasylycia-Leis — 16; NAYS: — 0.

At 4:57 p.m., the sitting was suspended.

At 5:02 p.m., the sitting resumed.

Norman Steinberg answered questions.

At 5:35 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee

2004/03/31 2:27 p.m.

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 3rd SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CPC

Meeting No. 18

Wednesday, March 31, 2004

ORDERS OF THE DAY:

Consideration of the March 2004 report of the Auditor General of Canada

Consideration of the Main estimates 2004-2005, vote 20 under FINANCE

Consideration of Public Accounts of Canada 2002-2003

MINUTES OF PROCEEDINGS

ing No. 18

nesday, March 31, 2004

Standing Committee on Public Accounts met in a televised session at 4:42 p.m. this day, in Room 237-C Centre
x, the Chair, John Williams, presiding.

Members of the Committee present: Odina Desrochers, Marlene Jennings, Hon. Joe Jordan, Hon. Walt Lastewka, Hon.
n Murphy, Beth Phinney, Alan Tonks, Judy Wasylcia-Leis and John Williams.

Guest Members present: Diane Ablonczy for Philip Mayfield, Peter Adams for Dominic LeBlanc, Claude Bachand for
a Desrochers, Michel Guimond for Roger Gaudet, Jay Hill for Paul Forseth, Jason Kenney for Val Meredith, Peter
Kay for Paul Forseth, Dennis Mills for Hon. Maurizio Bevilacqua, Caroline St-Hilaire for Odina Desrochers, Hon.
rt Thibault for Hon. Steve Mahoney and Vic Toews for Peter Goldring.

Attendance: Library of Parliament: Jean Dupuis, Analyst; Brian O'Neal, Analyst. *House of Commons:* Rob Walsh, Law
and Parliamentary Counsel.

Participants present: KPMG: Mark Brenning, Forensic Auditor.

unanimous consent, on motion of Alan Tonks, it was agreed, — That the Committee extend the hour of sitting until
p.m..

question of privilege having been raised by Vic Toews in relation to the divulging of portions of the *in camera*
ceedings of Standing Committee on Public Accounts of July 9, 2002 by the Honourable Member for Toronto—
orth, the Chair ruled that the matter touched on privilege.

52 p.m., the sitting was suspended.

55 p.m., the sitting resumed.

unanimous consent, on motion of Vic Toews, it was agreed, — That the Co-Clerks be instructed to prepare a succinct
t for the next meeting of the Committee on the question of privilege raised by Vic Toews.

ene Jennings moved, — That, pursuant to its study of Chapters 3, 4 and 5 of the Auditor General's November 2003
rt referred to the Committee on February 10, 2004, this Committee do, in accordance with Mr. Guité's decision to
e the confidentiality of the *in camera* hearings wherein he testified in 2002, immediately render his 2002 *in camera*
mony public and modify the summons so as to change the date of appearance from April 1, 2004 to April 22 and 23,

ate arose thereon.

33 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee

2004/04/02 4:28 p.m.

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 3rd SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CPC

Meeting No. 19

Thursday, April 1, 2004

ORDER OF THE DAY:

Consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004.

MINUTES OF PROCEEDINGS

Meeting No. 19

Thursday, April 1, 2004

The Standing Committee on Public Accounts met in a televised session at 9:10 a.m. this day, in Room 237-C Centre Block, the Chair, John Williams, presiding.

Members of the Committee present: Odina Desrochers, Marlene Jennings, Hon. Joe Jordan, Hon. Walt Lastewka, Dominic LeBlanc, Hon. Shawn Murphy, Beth Phinney, Alan Tonks, Judy Wasylycia-Leis and John Williams.

Guest Members present: Diane Ablonczy for Philip Mayfield, Bernard Bigras for Roger Gaudet, Hon. Paul Bonwick for Marlene Jennings, Hon. Paul Bonwick for Beth Phinney, Bev Desjarlais for Judy Wasylycia-Leis, Michel Gauthier for Roger Gaudet, Hon. John Harvard for Dominic LeBlanc, Hon. John Harvard for Hon. Steve Mahoney, Hon. John Harvard for Hon. Shawn Murphy, Jason Kenney for Paul Forseth, Gary Lunn for Peter Goldring, Peter MacKay for Peter Goldring, Dennis Mills for Hon. Maurizio Bevilacqua, Hon. Robert Thibault for Hon. Steve Mahoney and Vic Toews for Meredith.

Attendance: Library of Parliament: Jean Dupuis, Analyst; Brian O'Neal, Analyst. *House of Commons:* Rob Walsh, Clerk and Parliamentary Counsel.

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004.

Vic Toews moved that the Committee report to the House as follows:

The Standing Committee on Public Accounts has the honour to present its

FORTH REPORT

On Wednesday, March 31, 2004, the Honourable Member for Toronto-Danforth, Mr. Dennis Mills, revealed to CBC that a portion of the *in camera* testimony given by Mr. Charles Guité to the Standing Committee on Public Accounts on July 9, 2002.

The members of the Committee considered the matter on March 31, 2004 and April 1st, 2004 and felt that their privileges had been breached and that the *in camera* process had been jeopardized because of the disclosure by the Member for Toronto-Danforth.

As a result of the action of the Honourable Member for Toronto-Danforth, the Committee adopted a motion to report this matter to the House.

The Committee feels it is its duty to place these matters before the House at this time because privilege may be involved and to give the House an opportunity to reflect on these matters.

A copy of the relevant Minutes of Proceedings and Evidence (*Meetings Nos. 18 and 19*) is tabled.

A question was put on the motion and it was negatived on the following recorded division: YEAS: Diane Ablonczy, Odina Desrochers, Michel Gauthier, Jason Kenney, Vic Toews, Judy Wasylycia-Leis — 6; NAYS: Marlene Jennings,

Joe Jordan, Walt Lastewka, Dominic LeBlanc, Dennis Mills, Shawn Murphy, Beth Phinney, Robert Thibault, Alan Tonks — 9.

The Committee resumed consideration of the motion of Marlene Jennings, — That, pursuant to its study of Chapters 4 and 5 of the Auditor General's November 2003 Report referred to the Committee on February 10, 2004, this Committee do, in accordance with Mr. Guité's decision to waive the confidentiality of the *in camera* hearings wherein he testified on July 9, 2002, immediately render his 2002 in camera testimony public and modify the summons so as to change the date of appearance from April 1, 2004 to April 22 and 23, 2004.

The debate continued.

Jason Kenney moved, — That the motion be amended by replacing the words "immediately render his 2002 in camera testimony public" with the words "render his 2002 in camera testimony public on the day that Mr. Guité appears before the Committee".

After debate, the question was put on the amendment of Jason Kenney and it was negatived on the following recorded division: YEAS: Diane Ablonczy, Odina Desrochers, Michel Gauthier, Jason Kenney, Gary Lunn, Vic Toews, Judy Wasylycia-Leis — 7; NAYS: Marlene Jennings, Joe Jordan, Walt Lastewka, Dominic LeBlanc, Dennis Mills, Shawn Murphy, Beth Phinney, Robert Thibault, Alan Tonks — 9.

The Committee resumed consideration of the motion of Marlene Jennings, — That, pursuant to its study of Chapters 4 and 5 of the Auditor General's November 2003 Report referred to the Committee on February 10, 2004, this Committee do, in accordance with Mr. Guité's decision to waive the confidentiality of the *in camera* hearings wherein he testified on July 9, 2002, immediately render his 2002 in camera testimony public and modify the summons so as to change the date of appearance from April 1, 2004 to April 22 and 23, 2004.

At 10:03 a.m., the sitting was suspended.

At 10:04 a.m., the sitting resumed.

At 10:04 a.m., Beth Phinney took the Chair.

At 10:12 a.m., John Williams took the Chair.

At 10:25 a.m., Beth Phinney took the Chair.

At 10:30 a.m., John Williams took the Chair.

RULING BY THE CHAIR

The Chair ruled that although debate would continue on the motion, the decision would be deferred until such time as the Speaker has rendered his decision regarding the power to release the *in camera* testimony of July 9, 2002 of Charles Guité.

At 10:42 a.m., the sitting was suspended.

At 10:51 a.m., the sitting resumed.

The question: "Shall the ruling of the Chair be sustained?" was put and was negatived on the following recorded division: YEAS: Diane Ablonczy, Bernard Bigras, Odina Desrochers, Jason Kenney, Peter MacKay, Vic Toews, Judy Wasylycia-Leis — 7; NAYS: Marlene Jennings, Joe Jordan, Walt Lastewka, Dominic LeBlanc, Dennis Mills, Shawn Murphy, Beth Phinney, Robert Thibault, Alan Tonks — 9.

Accordingly, the decision of the Chair was overruled.

Committee resumed consideration of the motion of Marlene Jennings, — That, pursuant to its study of Chapters 3, 4 and 5 of the Auditor General's November 2003 Report referred to the Committee on February 10, 2004, this Committee in accordance with Mr. Guité's decision to waive the confidentiality of the *in camera* hearings wherein he testified in 2002, immediately render his 2002 *in camera* testimony public and modify the summons so as to change the date of appearance from April 1, 2004 to April 22 and 23, 2004.

debate continued.

Wasylycia-Leis moved, — That the debate be now adjourned.

A question was put on the motion and it was negatived on the following recorded division: YEAS: Diane Ablonczy, Bernard Bigras, Odina Desrochers, Jason Kenney, Peter MacKay, Vic Toews, Judy Wasylycia-Leis — 6; NAYS: Marlene Jennings, Joe Jordan, Walt Lastewka, Dominic LeBlanc, Dennis Mills, Shawn Murphy, Beth Phinney, Robert Thibault, Alan Tonks — 9.

Committee resumed consideration of the motion of Marlene Jennings, — That, pursuant to its study of Chapters 3, 4 and 5 of the Auditor General's November 2003 Report referred to the Committee on February 10, 2004, this Committee in accordance with Mr. Guité's decision to waive the confidentiality of the *in camera* hearings wherein he testified in 2002, immediately render his 2002 *in camera* testimony public and modify the summons so as to change the date of appearance from April 1, 2004 to April 22 and 23, 2004.

debate continued.

A question was put on the motion and it was negatived on the following recorded division: YEAS: Diane Ablonczy, Bernard Bigras, Odina Desrochers, Jason Kenney, Peter MacKay, Vic Toews, Judy Wasylycia-Leis — 7; NAYS: Marlene Jennings, Joe Jordan, Walt Lastewka, Dominic LeBlanc, Dennis Mills, Shawn Murphy, Beth Phinney, Robert Thibault, Alan Tonks — 9.

1:22 a.m., Beth Phinney took the Chair.

1:26 a.m., John Williams took the Chair.

REPORT BY THE CHAIR

The Chair ruled that the transcript would not be released until such time as the Speaker has rendered his decision regarding the Committee's power to release the *in camera* testimony of Charles Guité.

A question: "Shall the decision of the Chair be sustained?" was put and was negatived on the following recorded division: YEAS: Diane Ablonczy, Bernard Bigras, Odina Desrochers, Jason Kenney, Peter MacKay, Vic Toews, Judy Wasylycia-Leis — 7; NAYS: Marlene Jennings, Joe Jordan, Walt Lastewka, Dominic LeBlanc, Dennis Mills, Shawn Murphy, Beth Phinney, Robert Thibault, Alan Tonks — 9.

Marlene Jennings moved, — That, pursuant to its study of Chapters 3, 4 and 5 of the Auditor General's November 2003 Report referred to the Committee on February 10, 2004, that this Committee when hearing witnesses shall conduct the questioning as follows, i.e. a first round of eight (8) minutes per member, alternating from one opposition member to one government member back to one opposition member and so on until all members have been afforded an eight (8) minute round; only then shall a second round of four (4) minutes per member, again alternating from an opposition member to a government member, begin and continue until all members have been afforded a four (4) minute round; any and all subsequent rounds of questions, regardless of length of time allotted to a member, shall follow the same procedure; and

that the Chair shall only be afforded one round of questions not to exceed four (4) minutes, and that said round may be conducted either prior to the first eight (8) minute round or at the very end of any round.

The Chair ruled the final paragraph out of order on the grounds that time limits for the Chair is out of order.

The debate continued.

Jason Kenney moved, — That the motion be amended by deleting the following words:

“alternating from one opposition member to one government member back to one opposition member and so on ”

“again alternating from an opposition member to a government member”

“Any and all subsequent rounds of questions, regardless of length of time allotted to a member, shall follow the same procedure”.

By unanimous consent, it was agreed, — That the amendments proposed by Jason Kenney be debated together.

The Committee resumed consideration of the motion of Jason Kenney, — That the motion be amended by deleting the following words:

“alternating from one opposition member to one government member back to one opposition member and so on ”

“again alternating from an opposition member to a government member”

“Any and all subsequent rounds of questions, regardless of length of time allotted to a member, shall follow the same procedure”.

The debate continued.

Odina Desrochers moved, — That the motion be deferred to the Steering Committee.

The question was put on the motion and it was agreed to, by a show of hands: YEAS: 9; NAYS: 2.

Marlene Jennings moved, — That in addition to the meeting dates already scheduled, the Committee meet as follows regard to its study of Chapters 3, 4 and 5 of the Auditor General’s November 2003 Report:

Monday, April 19, 2004, from 11:00 am to 1:00pm and 3:30 pm to 5:30 pm for the sole purpose of hearing witnesses

Tuesday, April 20, 2004, from 3:30 pm to 5:30 pm for the sole purpose of hearing witnesses;

Wednesday, April 21, 2004 at 3:30 pm for the sole purpose of considering the second draft of its interim report;

Thursday, April 22, 2004 from 3:30 pm to 5:30 pm;

Friday, April 23, 2004 from 9:00 am to 1:00 pm;

Monday, April 26, 2004 from 11:00 to 1:00 pm; and,

Monday, April 26, 2004 at 3:30 pm for the sole purpose of considering and adopting its interim report.

Debate arose thereon.

Marlene Jennings moved, — That the motion be amended by deleting the words “for the sole purpose of hearing witnesses”.

unanimous consent, the motion was withdrawn.

2:59 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee

13/04/05 3:34 p.m.

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON PUBLIC ACCOUNTS

Chair: John Williams.

Meeting No. 20

Monday, April 5, 2004

ORDER OF THE DAY:

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004.

MEMBERS OF THE COMMITTEE PRESENT:

Marlene Jennings,
Hon. Joe Jordan,
Hon. Walt Lastewka,
Alan Tonks,
Judy Wasylycia-Leis
and John Williams.

ACTING MEMBERS PRESENT:

Michel Guimond for Odina Desrochers,
Jay Hill for Paul Forseth,
Gerald Keddy for Philip Mayfield,
Jason Kenney for Val Meredith,
Derek Lee for Dominic LeBlanc,
Judi Longfield for Hon. Shawn Murphy,
Dennis Mills for Hon. Maurizio Bevilacqua,
Marcel Proulx for Beth Phinney,
Scott Reid for Peter Goldring,
Hon. Robert Thibault for Hon. Steve Mahoney,

and Vic Toews for Peter Goldring.

IN ATTENDANCE:

Library of Parliament:

Jean Dupuis, Analyst;
Brian O'Neal, Analyst.

House of Commons:

Rob Walsh, Law Clerk and Parliamentary Counsel;
Stephen Knowles, Committee Clerk;
Diane Diotte, Committee Clerk.

WITNESSES:

Royal Canadian Mint:

Hon. David Dingwall, President and CEO.

KPMG:

Victor Duret, Partner;

OTHER PARTICIPANTS PRESENT:

KPMG:

Mark Brenning, Forensic Auditor.

Elizabeth B. Kingston
Clerk of the Committee



MINUTES OF PROCEEDINGS

Meeting No. 20

Monday, April 5, 2004

The Standing Committee on Public Accounts met in a televised session at 11:09 a.m. this day, in Room 253-D Centre Block, the Chair, John Williams, presiding.

Members of the Committee present: Marlene Jennings, Hon. Joe Jordan, Hon. Walt Lastewka, Alan Tonks, Judy Wasylycia-Leis and John Williams.

Acting Members present: Michel Guimond for Odina Desrochers, Jay Hill for Paul Forseth, Gerald Keddy for Philip Mayfield, Jason Kenney for Val Meredith, Derek Lee for Dominic LeBlanc, Judi Longfield for Hon. Shawn Murphy, Dennis Mills for Hon. Maurizio Bevilacqua, Marcel Proulx for Beth Phinney, Scott Reid for Peter Goldring, Hon. Robert Thibault for Hon. Steve Mahoney and Vic Toews for Peter Goldring.

In attendance: Library of Parliament: Jean Dupuis, Analyst; Brian O'Neal, Analyst. *House of Commons:* Rob Walsh, Law Clerk and Parliamentary Counsel; Stephen Knowles, Committee Clerk; Diane Diotte, Committee Clerk.

Witnesses: Royal Canadian Mint: Hon. David Dingwall, President and CEO. *KPMG:* Victor Duret, Partner.

Other Participants present: KPMG: Mark Brenning, Forensic Auditor.

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004.

A question of privilege was raised by Dennis Mills.

The Chair ruled that the matter was not a question of privilege but rather a question of debate.

By unanimous consent, it was agreed, — That all motions for which notice had been given be referred to the Subcommittee on Agenda and Procedure for consideration later today.

The Hon. David Dingwall made a statement and answered questions.

It was agreed, — That notwithstanding the motion of February 10, 2004, eight (8) minutes be allocated to all questioners.

At 1:02 p.m., the sitting was suspended.

At 1:54 p.m., the sitting resumed.

Questioning of the Hon. David Dingwall resumed.

At 2:29 p.m., the sitting was suspended.

At 2:31 p.m., the sitting resumed.

By unanimous consent, on motion of Gerald Keddy, it was agreed, — That the Committee send a letter to the Clerk of the Privy Council requesting that Order in Council P.C. 2004-0119 of February 20, 2004 be amended so as to include the confidences from December 1, 1993 to July 1996 relating to the matters discussed in Chapters 3, 4 and 5 of the Auditor General's report of November 2003.

At 3:45 p.m., Victor Duret made a statement and answered questions.

At 4:03 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston
Clerk of the Committee

2004/04/07 9:27 a.m.

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON PUBLIC ACCOUNTS

Chair: John Williams, CPC

Meeting No. 21

Tuesday, April 6, 2004

ORDER OF THE DAY:

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004

MEMBERS OF THE COMMITTEE PRESENT:

Marlene Jennings
Hon. Joe Jordan
Hon. Walt Lastewka
Dominic LeBlanc
Alan Tonks
Judy Wasylycia-Leis
John Williams

ACTING MEMBERS PRESENT:

Paul Crête for Odina Desrochers
Rodger Cuzner for Hon. Shawn Murphy
Jason Kenney for Val Meredith
Peter MacKay for Peter Goldring
Dennis Mills for Hon. Maurizio Bevilacqua
Marcel Proulx for Beth Phinney
Scott Reid for Paul Forseth
Hon. Robert Thibault for Hon. Steve Mahoney
Vic Toews for Philip Mayfield

IN ATTENDANCE:

Library of Parliament:

Brian O'Neal, Analyst;
Jean Dupuis, Analyst.

House of Commons:

Rob Walsh, Law Clerk and Parliamentary Counsel;

Stephen Knowles, Committee Clerk;
Diane Diotte, Committee Clerk.

WITNESS:

As Individual:

Jean Pelletier.

OTHER PARTICIPANTS PRESENT:

KPMG:

Mark Brenning, Forensic Auditor;

Greg McEvoy, Forensic Auditor.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee



Français

MINUTES OF PROCEEDINGS

Meeting No. 21

Tuesday, April 6, 2004

The Standing Committee on Public Accounts met in a televised session at 9:06 a.m. this day, in Room 253-D Centre Block, the Chair, John Williams, presiding.

Members of the Committee present: Marlene Jennings, Hon. Joe Jordan, Hon. Walt Lastewka, Dominic LeBlanc, Alan Tonks, Judy Wasylycia-Leis and John Williams.

Acting Members present: Paul Crête for Odina Desrochers, Rodger Cuzner for Hon. Shawn Murphy, Jason Kenney for Val Meredith, Peter MacKay for Peter Goldring, Dennis Mills for Hon. Maurizio Bevilacqua, Marcel Proulx for Beth Phinney, Scott Reid for Paul Forseth, Robert Thibault for Steve Mahoney and Vic Toews for Philip Mayfield.

In attendance: Library of Parliament: Brian O'Neal, Analyst; Jean Dupuis, Analyst. *House of Commons:* Rob Walsh, Law Clerk and Parliamentary Counsel; Stephen Knowles, Committee Clerk; Diane Diotte, Committee Clerk.

Other Participants present: KPMG: Mark Brenning, Forensic Auditor; Greg McEvoy, Forensic Auditor.

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004.

The Chair presented the Fifth Report from the Subcommittee on Agenda and Procedure which reads as follows:

It was agreed — That pursuant to Committee agreement on scheduling witnesses in the following order, by category of importance, in relation to the study of Chapters 3, 4 and 5 of the November 2003 Report of the Auditor General regarding the Sponsorship Matter, the Standing Committee on Public Accounts call and schedule the following persons to appear before the Committee in the following order; if desired witnesses cannot be scheduled in order of importance, a further category of expert witnesses be used to draw on to replace those witnesses:

HEADS OF CROWN CORPORATIONS INVOLVED:

Canada Post

Chairman

1995-1996 Peter Cameron

1996-1999 André Ouellet

2000-2005 Vivian Albo

President

1993-1998 Georges Clermont

1999-2006 André Ouellet

Chief Financial Officer

Via Rail

Chairman

1993-2001 Marc LeFrançois

2001-2004 Jean Pelletier

President and CEO

1993-1998 Terry Ivany

1998-2000 Roderick Morrison

2000-2004 Marc LeFrançois

Chief Financial Officer

Chief Strategy Officer

Ms. Christina Sirsly

Royal Canadian Mint

Chairman

1996-1999 Jose Blanco

1999-2005 Emmanuel Triassi

Master of the Mint

1996-2002 Daniele Wetherup

2002-2003 Emmanuel Triassi

2003-2008 David Dingwall

Chief Financial Officer

Business Development Bank

Chairman

1994-1997 Patrick Lavelle

1998-2000 Michel Vennat

2001-2007 Ced Ritchie

President

1993-1999 François Beaudoin

1999-2000 Bernd Schroder

2001-2004 Michel Vennat

Canada Lands

Chairman

1995 to 2001 Mr. Jon Grant

ADVERTISING AGENCIES:

Groupaction Marketing Inc.

President

Jean Brault

Chief Financial Officers

1993 – Present

Chief Government Relations Officials

1993 – Present

Lafleur Communications

President

Jean Lafleur

Chief Financial Officers

1993 – Present

Chief Government Relations Officials

1993 – Present

Groupe Everest (and its subsidiary, Media IDA Vision)

President

Claude Boulay

Chief Financial Officers

1993 – Present

Chief Government Relations Officials

1993 – Present

Gosselin Communications Strategiques of Ottawa

President

Patrick Gosselin

Gilles-Andre Gosselin

Chief Financial Officers

1993 – Present

Chief Government Relations Officials

1993 – Present

Communication Coffin

President

Paul Coffin

Chief Financial Officers

1993 – Present

Chief Government Relations Officials

1993 – Present

Compass Communications

President

Tony Blom

Chief Financial Officers

1993 – Present

Chief Government Relations Officials

1993 – Present

Palmer Jarvis

President

1993 - Present

Chief Financial Officers

1993 – Present

Chief Government Relations Officials

1993 – Present

Vickers

President

1993 - Present

Chief Financial Officers

1993 – Present

Chief Government Relations Officials

1993 – Present

Publicité Martin

President

1993 – Present

Chief Financial Officers

1993 – Present

Chief Government Relations Officials

1993 – Present

Dickson Lithographing**ADMINISTRATION:****Deputy Ministers, PWGSC:**

Ron Quail, Deputy Minister, PWGSC (1993 – April 2001)

Janice Cochrane, Deputy Minister, PWGSC (April 2001 – June 2003); Appeared before PAC on March 1, 2004

David Marshall, Deputy Minister, PWGSC (June 2003 – Present); Appeared before PAC on Feb 24, 2004 and Feb 26, 2004

CCSB:

Chuck Guité, Director, Advertising and Research (1993 – Jan 1995); Director, Advertising and Public Opinion Research (APORS) (Jan 1995 – Nov 1997); Executive Director, Communications Coordination Services Branch (CCSB) (Nov 97 – Aug 99)

Pierre Tremblay, Executive Director, Communications Coordination Services Branch (CCSB) (Sept 99 – Sept 2001); Canadian Food Inspection Agency (Nov 2001 – Present)

Senior Officials from Canada Communications Group

Clerks of the Privy Council

Jocelyn Bourgeon

Mel Cappe

Alex Himelfarb

WHISTLEBLOWERS**MINISTERS INVOLVED:****PWGSC**Minister of Public Works:

Hon. David Charles Dingwall: 4 Nov. 1993 - 24 Jan. 1996

Hon. Diane Marleau: 25 Jan. 1996 - 11 July 1996

Minister of Public Works and Government Services:

Hon. Diane Marleau: 12 July 1996 - 10 June 1997

Hon. Alfonso Gagliano: 11 June 1997 - 14 Jan. 2002

Hon. Don Boudria: 15 Jan. 2002 - 25 May 2002

Hon. Ralph Goodale: 26 May 2002 -11 Dec. 2003

TBS

President of the Treasury Board:

Hon. Arthur C. Eggleton: 4 Nov. 1993 - 24 Jan. 1996

Hon. Marcel Massé: 25 Jan. 1996 - 2 Aug. 1999

Hon. Lucienne Robillard: 3 Aug. 1999 -11 Dec. 2003

INDUSTRY PROFESSIONALS:

Advertising Standards of Canada

OTHER SELECTED MINISTERS:

Hon. Anne McLellan, P.C., M.P.

Hon. David Anderson, P.C., M.P.

Hon. Andy Scott, P.C., M.P.

Hon. David Dingwall, P.C.

Hon. Denis Coderre, P.C., M.P.

GRANT RECIPIENTS:

EXPERTS ON MINISTERIAL ACCOUNTABILITY

Nick D'Ombain

Jim Mitchell

Ercel Baker

Jack Manion

Donald Savoie

Patrick Boyer

Arthur Kroeger

Alan McEachan

John Stewart

John Roberts

David Zussman

Professor Ken Kernaghan

Professor Sandy Borins

OTHER WITNESSES:

Mario Lague

Bruce Hartley

Karl Littler

Terrie O'Leary

Warren Kinsella

Jean Carle

Pierre Lesieur

Albano Gidaro

Jean Marc Bard

Elly Alboim, Earnscliffe

Jacques Hudon, Groupaction

Senator David Smith

Raymond Garneau

Daniel Dezain

Stephen LeDrew

Senator Paul Massicotte

Buryl Wiseman

Giuseppe Morselli

Francoise Patry

Pierre Brodeur

Vincenzo Gagliano

Howard Wilson

Senator Wilfred Moore – Chairman of the Bluenose II Preservation Trust

Certified Fraud Examiner or Money Laundering Expert from the RCMP

Rt. Hon. Jean Chretien, P.C.

Rt. Hon. Paul Martin, P.C., M.P.

That, pursuant to the Committee's consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004, for any invitation to a witness to appear which has not received a positive response within two business days, the Clerk be authorized to issue an immediate summons.

That the Committee instruct the House of Commons and the Library of Parliament to provide all support necessary to assist the Clerks and Researchers in meeting the increased work demands associated with the Committee's study of Chapters 3, 4 and 5 of the November 2003 Report of the Auditor General into the Sponsorship Matter.

That beginning on April 19, 2004, the Committee sit according to the following schedule:

- On alternate Mondays: 11:00 a.m. to 1:00 p.m. and 3:30 p.m. to 5:30 p.m. (1st Monday sitting on April 19, 2004)
- Tuesdays: 9:00 a.m. to 1:00 p.m. and 3:30 p.m. to 5:30 p.m.
- Wednesdays: 3:30 p.m. to 6:30 p.m.
- Thursdays: 9:00 a.m. to 1:00 p.m. and 3:30 p.m. to 5:30 p.m.

That the order of questioning of witnesses be as follows:

- Round 1: One Conservative, one Bloc Québécois, one Liberal, one NDP (8 minutes each)
- Round 2: One Conservative, one Liberal, one Bloc Québécois, one Liberal (8 minutes each)

- Round 3: One Conservative, two Liberals (4 minutes each)

- Round 4: One Conservative, two Liberals (4 minutes each)

That the Researchers prepare a preliminary draft report for the Committee based on the Evidence received from February 12 to April 2, 2004 as it relates to Chapters 3,4 and 5 of the November 2003 Report of the Auditor General related to the sponsorship matter for the consideration of the Committee at its meeting of April 14, 2004.

That the Law Clerk and Parliamentary Counsel reply to the letter of March 25, 2004 from the Secretary of the Treasury Board to inform him that the Committee notes the policy set out therein but maintains reservations with regard to the policy's application.

That in relation to the study of Chapters 3, 4, and 5 of the November 2003 Report of the Auditor General regarding the Sponsorship Matter, the Standing Committee on Public Accounts request from PWGSC both the First and Second Administrative Review Reports of Sponsorship Files, which were conducted by Kroll Lindquest Avery for PWGSC, in their entirety.

The witness answered questions.

It was agreed, — That the report of the Subcommittee be concurred in.

At 11:14 a.m., the sitting was suspended.

At 11:25 a.m., the sitting resumed.

At 1:05 p.m., the sitting was suspended.

At 2:06 p.m., the sitting resumed.

At 3:54 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee

2004/04/08 2:02 p.m.

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON PUBLIC ACCOUNTS

Chair: John Williams, CPC

Meeting No. 22

Wednesday, April 7, 2004

ORDER OF THE DAY:

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004

MEMBERS OF THE COMMITTEE PRESENT:

Marlene Jennings
Hon. Joe Jordan
Hon. Walt Lastewka
Dominic LeBlanc
Alan Tonks
Judy Wasylycia-Leis
John Williams

ACTING MEMBERS PRESENT:

Rodger Cuzner for Beth Phinney
Jason Kenney for Val Meredith
Mario Laframboise for Odina Desrochers
Dennis Mills for Hon. Maurizio Bevilacqua
Marcel Proulx for Hon. Shawn Murphy
Hon. Robert Thibault for Hon. Steve Mahoney
Vic Toews for Philip Mayfield

IN ATTENDANCE:

Library of Parliament:

Brian O'Neal, Analyst.

House of Commons:

Diane Diotte, Committee Clerk;

Stephen Knowles, Committee Clerk;

Rob Walsh, Law Clerk and Parliamentary Counsel.

WITNESS:

As an Individual:

Marc LeFrançois.

OTHER PARTICIPANTS PRESENT:

KPMG:

Victor Duret, Partner;

Greg McEvoy, Forensic Auditor.

Elizabeth B. Kingston
Clerk of the Committee



MINUTES OF PROCEEDINGS

Meeting No. 22

Wednesday, April 7, 2004

The Standing Committee on Public Accounts met in a televised session at 9:09 a.m. this day, in Room 253-D Centre Block, the Chair, John Williams, presiding.

Members of the Committee present: Marlene Jennings, Hon. Joe Jordan, Hon. Walt Lastewka, Dominic LeBlanc, Alan Tonks, Judy Wasylycia-Leis and John Williams.

Acting Members present: Rodger Cuzner for Beth Phinney, Jason Kenney for Val Meredith, Mario Laframboise for Odina Desrochers, Dennis Mills for Hon. Maurizio Bevilacqua, Marcel Proulx for Hon. Shawn Murphy, Hon. Robert Thibault for Hon. Steve Mahoney and Vic Toews for Philip Mayfield.

In attendance: Library of Parliament: Brian O'Neal, Analyst. *House of Commons:* Diane Diotte, Committee Clerk; Stephen Knowles, Committee Clerk; Rob Walsh, Law Clerk and Parliamentary Counsel.

Witnesses: As an Individual: Marc Lefrançois.

Other Participants present: KPMG: Victor Duret, Partner; Greg McEvoy, Forensic Auditor.

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004.

The witness made a statement and answered questions.

At 10:51 a.m., the sitting was suspended.

At 11:01 a.m., the sitting resumed.

At 12:34 p.m., the sitting was suspended.

At 2:07 p.m., the sitting resumed.

Questioning of the witness resumed.

At 3:39 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee

2004/04/08 1:54 p.m.

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 3rd SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON PUBLIC ACCOUNTS

Chair: John Williams

Meeting No. 23

Tuesday, April 13, 2004

ORDER OF THE DAY:

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004

MEMBERS OF THE COMMITTEE PRESENT:

Odina Desrochers
Marlene Jennings
Joe Jordan
Walt Lastewka
Shawn Murphy
Alan Tonks
Judy Wasylycia-Leis
John Williams

ACTING MEMBERS PRESENT:

Diane Ablonczy for Val Meredith
Michel Guimond for Roger Gaudet
Peter MacKay for Paul Forseth
Dennis Mills for Steve Mahoney
Marcel Proulx for Beth Phinney
Robert Thibault for Maurizio Bevilacqua
Vic Toews for Philip Mayfield

IN ATTENDANCE:

Library of Parliament:

Brian O'Neal, Analyst.

House of Commons:

Stephen Knowles, Committee Clerk.

WITNESS:

As Individual:

Hon. André Ouellet.

OTHER PARTICIPANT PRESENT:

KPMG:

Greg McEvoy, Forensic Auditor.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee

MINUTES OF PROCEEDINGS

Meeting No. 23

Monday, April 13, 2004

The Standing Committee on Public Accounts met in a televised session at 11:07 a.m. this day, in Room 253-D Centre Block, the Chair, John Williams, presiding.

Members of the Committee present: Odina Desrochers, Marlene Jennings, Joe Jordan, Walt Lastewka, Shawn Murphy, Bob Tonks, Judy Wasylycia-Leis and John Williams.

Guest Members present: Diane Ablonczy for Val Meredith, Michel Guimond for Roger Gaudet, Peter MacKay for Paul Rath, Dennis Mills for Steve Mahoney, Marcel Proulx for Beth Phinney, Robert Thibault for Maurizio Bevilacqua and John Toews for Philip Mayfield.

Attendance: Library of Parliament: Brian O'Neal, Analyst. *House of Commons:* Stephen Knowles, Committee Clerk.

Guests: As an Individual: André Ouellet.

Other Participants present: KPMG: Greg McEvoy, Forensic Auditor.

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004.

The witness made a statement and answered questions.

Mr. MacKay moved, — That the witness be sworn in.

A question was put on the motion and it was agreed to, by a show of hands: YEAS: 9; NAYS: 3.

At 10:50 a.m., the sitting was suspended.

At 10:55 a.m., the sitting resumed.

Questioning of the witness resumed.

At 12:56 p.m., the sitting was suspended.

At 1:05 p.m., the sitting resumed.

Questioning of the witness resumed.

At 2:10 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 3rd SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CPC

Meeting No. 24

Wednesday, April 14, 2004

IN CAMERA

MINUTES OF PROCEEDINGS

Meeting No. 24

Tuesday, April 14, 2004

The Standing Committee on Public Accounts met *in camera* at 9:02 a.m. this day, in Room 253-D Centre Block, the Honourable John Williams, presiding.

Members of the Committee present: Odina Desrochers, Marlene Jennings, Hon. Joe Jordan, Hon. Walt Lastewka, Hon. John Murphy, Alan Tonks, Judy Wasylycia-Leis and John Williams.

Guest Members present: Diane Ablonczy for Paul Forseth, Jason Kenney for Val Meredith, Derek Lee for Dominic LeBlond, Peter MacKay for Peter Goldring, Paul Harold Macklin for Beth Phinney, Dennis Mills for Hon. Maurizio Sacca, Hon. Robert Thibault for Hon. Steve Mahoney and Vic Toews for Philip Mayfield.

Attendance: *Library of Parliament:* Brian O'Neal, Analyst. *House of Commons:* Rob Walsh, Law Clerk and Parliamentary Counsel.

Participants present: *KPMG:* Victor Duret, Partner; Paul Levine, Forensic Auditor; Greg McEvoy, Forensic Auditor.

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004.

The Committee received a briefing from the Library of Parliament analyst regarding matters related to this study.

The Committee agreed, — That the Library of Parliament working document be released to the public following consultation with the Law Clerk, the Analysts and the Clerks.

At 1:58 a.m., the sitting was suspended.

At 2:10 a.m., the sitting resumed.

Pursuant to Standing Order 108(3)(e), the Committee resumed from the last session its study of the Special Report of the Auditor General of Canada (Audit of the financial management and administration of the Privacy Commissioner of Canada) of September 2003.

The Committee commenced consideration of a draft report.

The Committee agreed, — That the draft report be adopted.

The Committee agreed, — That the Chair, Clerk and researchers be authorized to make such grammatical and editorial changes as may be necessary to update the content of the report without changing the substance of the report.

RESOLVED, — That the Chair present the report to the House.

The Committee agreed, — That, pursuant to Standing Order 109, the Committee request that the Government table a comprehensive response to the report, except Recommendation 20 which deals with the Standing Orders of the House of Commons.

It was agreed, — That the Clerk of the Committee, in consultation with the Chair, issue a news release to be released immediately following the tabling of the Committee's report to the House on its study on the Special Report of the Auditor General of Canada (Audit of the financial management and administration of the Privacy Commissioner of Canada) of September 2003.

The Committee proceeded to the consideration of matters related to Committee business.

At 12:04 p.m., the sitting was suspended.

At 1:45 p.m., the sitting resumed.

It was agreed, — That the following witnesses, which were not included in the Fifth Report of the Subcommittee on Agenda and Procedure, appear before the Committee in relation to its study of Chapters 3, 4 and 5 of the Auditor General's November 2003 Report:

CROWN CORPORATIONS:

Canada Post

Stewart Bacon, Senior VP Customer Relations

Daniel Sawaya

Alain Guilbert, VP Communications

Micheline Montreuil, Director Stamp Products

VIA Rail

Steve Del Bosco

J. Roger Paquette

Port of Montréal

Bernard Lamarre, Chair of the Board

Pierre Émond, CEO

RCMP

Giuliano Zaccardelli

Stéphane Roussin

Marc Beaupré

Pierre Droz

Odilon Emond

ADVERTISING AGENCIES:

Paction Marketing Inc.

Lambert

ard Michaud

s Dejeans

blay Guittet Communications Inc.

ele Tremblay

stant Deputy Ministers, PWGSC

rd Neville

tobbe

USTRY PROFESSIONALS:

ute of Communications and Advertising

ciation of Québec Advertising Agencies

ER SELECTED MINISTERS:

of David Anderson

VanderWal, Special Assistant

Chang, Constituency Assistant

NT RECIPIENTS:

ormation Essentielle

rt Scully

lette Théoret

MINISTRATION:

B

o Parent

lle Roy

d Myer

McKenzie

Guy Bédard

OTHER INDIVIDIALS:

Roger Collet.

At 4:08 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee

2004/04/16 4:49 p.m.

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON PUBLIC ACCOUNTS

Chair: John Williams.

Meeting No. 25

Monday, April 19, 2004

ORDER OF THE DAY:

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004.

MEMBERS OF THE COMMITTEE PRESENT:

Odina Desrochers,
Marlene Jennings,
Hon. Joe Jordan,
Hon. Walt Lastewka,
Hon. Shawn Murphy,
Beth Phinney,
Alan Tonks,
Judy Wasylycia-Leis
and John Williams.

ACTING MEMBERS PRESENT:

Diane Ablonczy for Philip Mayfield,
Jason Kenney for Paul Forseth,
Dennis Mills for Hon. Maurizio Bevilacqua,
Marcel Proulx for Dominic LeBlanc,
Hon. Robert Thibault for Hon. Steve Mahoney,
and Vic Toews for Val Meredith.

IN ATTENDANCE:

Library of Parliament:

Brian O'Neal, Analyst.

House of Commons:

Rob Walsh, Law Clerk and Parliamentary Counsel.

WITNESSES:

As an Individual:

Claude Boulay.

OTHER PARTICIPANTS PRESENT:

KPMG:

Greg McEvoy, Forensic Auditor.

As an Individual:

François Daviault, Counsel to Claude Boulay.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee



MINUTES OF PROCEEDINGS

Meeting No. 25

Monday, April 19, 2004

The Standing Committee on Public Accounts met in a televised session at 11:18 a.m. this day, in Room 237-C Centre Block, the Chair, John Williams, presiding.

Members of the Committee present: Odina Desrochers, Marlene Jennings, Hon. Joe Jordan, Hon. Walt Lastewka, Hon. Dawn Murphy, Beth Phinney, Alan Tonks, Judy Wasylycia-Leis and John Williams.

Attending Members present: Diane Ablonczy for Philip Mayfield, Jason Kenney for Paul Forseth, Dennis Mills for Hon. Maurizio Bevilacqua, Marcel Proulx for Dominic LeBlanc, Hon. Robert Thibault for Hon. Steve Mahoney and Vic Lew for Val Meredith.

Attendance: Library of Parliament: Brian O'Neal, Analyst. House of Commons: Rob Walsh, Law Clerk and Parliamentary Counsel.

Witnesses: As an Individual: Claude Boulay.

Other Participants present: KPMG: Greg McEvoy, Forensic Auditor. As an Individual: François Daviault, Counsel to Claude Boulay.

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 report of the Auditor General of Canada referred to the Committee on February 10, 2004.

On motion of Joe Jordan, it was agreed, — That the proposed budget in the amount of \$ 49,050.00, for the period of April 15, 2004 to June 30, 2004 be adopted and that the Chair present the said budget to the Subcommittee on Committee Budgets of the Liaison Committee.

Pursuant to the motion adopted on April 14, 2004, the witness was sworn in.

Claude Boulay made a statement and answered questions.

At 1:07 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee

2004/04/23 10:20 a.m.

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON PUBLIC ACCOUNTS

Chair: John Williams.

Meeting No. 26

Monday, April 19, 2004

ORDER OF THE DAY:

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004.

MEMBERS OF THE COMMITTEE PRESENT:

Odina Desrochers,
Marlene Jennings,
Hon. Joe Jordan,
Hon. Walt Lastewka,
Hon. Shawn Murphy,
Beth Phinney,
Alan Tonks,
Judy Wasylycia-Leis
and John Williams.

ACTING MEMBERS PRESENT:

Diane Ablonczy for Philip Mayfield,
Jason Kenney for Paul Forseth,
Dennis Mills for Hon. Steve Mahoney,
Marcel Proulx for Dominic LeBlanc,
Hon. Robert Thibault for Hon. Maurizio Bevilacqua,
and Vic Toews for Val Meredith.

IN ATTENDANCE:

Library of Parliament:

Brian O'Neal, Analyst.

House of Commons:

Rob Walsh, Law Clerk and Parliamentary Counsel.

WITNESSES:

As an Individual:

Claude Boulay.

OTHER PARTICIPANTS PRESENT:

KPMG:

Greg McEvoy, Forensic Auditor.

As an Individual:

François Daviault, Counsel to Claude Boulay.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee



MINUTES OF PROCEEDINGS

Meeting No. 26

Monday, April 19, 2004

The Standing Committee on Public Accounts met in a televised session at 3:37 p.m. this day, in Room 237-C Centre Block, the Chair, John Williams, presiding.

Members of the Committee present: Odina Desrochers, Marlene Jennings, Hon. Joe Jordan, Hon. Walt Lastewka, Hon. Shawn Murphy, Beth Phinney, Alan Tonks, Judy Wasylcia-Leis and John Williams.

Acting Members present: Diane Ablonczy for Philip Mayfield, Jason Kenney for Paul Forseth, Dennis Mills for Hon. Steve Mahoney, Marcel Proulx for Dominic LeBlanc, Hon. Robert Thibault for Hon. Maurizio Bevilacqua and Vic Toews for Val Meredith.

In attendance: Library of Parliament: Brian O'Neal, Analyst. *House of Commons:* Rob Walsh, Law Clerk and Parliamentary Counsel.

Witnesses: As an Individual: Claude Boulay.

Other Participants present: KPMG: Greg McEvoy, Forensic Auditor. *As an Individual:* François Daviault, Counsel to Claude Boulay.

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004.

The witness answered questions.

At 5:35 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee

2004/04/22 3:00 p.m.

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON PUBLIC ACCOUNTS

Chair: John Williams, CPC

Meeting No. 27

Tuesday, April 20, 2004

ORDER OF THE DAY:

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004

MEMBERS OF THE COMMITTEE PRESENT:

Odina Desrochers
Marlene Jennings
Hon. Joe Jordan
Hon. Walt Lastewka
Dominic LeBlanc
Beth Phinney
Alan Tonks
Judy Wasylycia-Leis
John Williams

ACTING MEMBERS PRESENT:

Diane Ablonczy for Philip Mayfield
Jason Kenney for Paul Forseth
Dennis Mills for Hon. Maurizio Bevilacqua
Marcel Proulx for Marlene Jennings
Marcel Proulx for Hon. Shawn Murphy
Hon. Robert Thibault for Hon. Steve Mahoney
Vic Toews for Val Meredith

IN ATTENDANCE:

Library of Parliament:

Brian O'Neal, Analyst.

House of Commons:

Rob Walsh, Law Clerk and Parliamentary Counsel;
Gregory Tardi, Senior Legal Counsel.

WITNESS:

As Individual:

Isabelle Roy.

OTHER PARTICIPANTS PRESENT:

As Individual:

Rodrigue Landriault, Counsel to Isabelle Roy.

KPMG:

Greg McEvoy, Forensic Auditor.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee



MINUTES OF PROCEEDINGS

Meeting No. 27

Tuesday, April 20, 2004

The Standing Committee on Public Accounts met at 9:11 a.m. this day, in Room 237-C Centre Block, the Chair, John Williams, presiding.

Members of the Committee present: Odina Desrochers, Marlene Jennings, Hon. Joe Jordan, Hon. Walt Lastewka, Dominic LeBlanc, Beth Phinney, Alan Tonks, Judy Wasylycia-Leis and John Williams.

Acting Members present: Diane Ablonczy for Philip Mayfield, Jason Kenney for Paul Forseth, Dennis Mills for Hon. Maurizio Bevilacqua, Marcel Proulx for Marlene Jennings, Marcel Proulx for Hon. Shawn Murphy, Hon. Robert Thibault for Hon. Steve Mahoney and Vic Toews for Val Meredith.

In attendance: Library of Parliament: Brian O'Neal, Analyst. *House of Commons:* Rob Walsh, Law Clerk and Parliamentary Counsel; Gregory Tardi, Senior Legal Counsel.

Witnesses: As an Individual: Isabelle Roy.

Other Participants present: As an Individual: Rodrigue Landriault, Counsel to Isabelle Roy. *KPMG:* Greg McEvoy, Forensic Auditor.

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004.

Pursuant to the motion adopted on April 14, 2004, the witness was sworn in.

The witness made a statement and answered questions.

At 10:06 a.m., the sitting was suspended.

At 10:15 a.m., the sitting resumed.

On motion of Vic Toews, it was agreed, — That the Committee prepare a report to the House recommending that the Government pay for the legal fees of public servants who have been called before the Standing Committee on Public Accounts in relation to its study of Chapters 3, 4 and 5 of the November 2003 Report of the Auditor General of Canada.

At 10:56 a.m., the sitting was suspended.

At 11:14 a.m., the Committee proceeded to sit *in camera*, for the discussion of its future business.

At 11:57 a.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee

2004/04/23 10:21 a.m.

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON PUBLIC ACCOUNTS

Chair: John Williams, CPC

Meeting No. 28

Tuesday, April 20, 2004

ORDER OF THE DAY:

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004.

MEMBERS OF THE COMMITTEE PRESENT:

Odina Desrochers
Marlene Jennings
Hon. Joe Jordan
Hon. Walt Lastewka
Hon. Shawn Murphy
Beth Phinney
Alan Tonks
Judy Wasylycia-Leis
John Williams

ACTING MEMBERS PRESENT:

Diane Ablonczy for Philip Mayfield
Jason Kenney for Paul Forseth
Peter MacKay for Peter Goldring
Dennis Mills for Hon. Maurizio Bevilacqua
Marcel Proulx for Dominic LeBlanc
Hon. Robert Thibault for Hon. Steve Mahoney
Vic Toews for Val Meredith

IN ATTENDANCE:

Library of Parliament:

Brian O'Neal, Analyst.

House of Commons:

Gregory Tardi, Senior Legal Counsel.

WITNESS:

As Individual:

Isabelle Roy.

OTHER PARTICIPANTS PRESENT:

As Individual:

Rodrigue Landriault, Counsel to Isabelle Roy.

KPMG:

Greg McEvoy, Forensic Auditor.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee



Français

MINUTES OF PROCEEDINGS

Meeting No. 28

Tuesday, April 20, 2004

The Standing Committee on Public Accounts met at 3:42 p.m. this day, in Room 237-C Centre Block, the Chair, John Williams, presiding.

Members of the Committee present: Odina Desrochers, Marlene Jennings, Hon. Joe Jordan, Hon. Walt Lastewka, Hon. Shawn Murphy, Beth Phinney, Alan Tonks, Judy Wasylcia-Leis and John Williams.

Acting Members present: Diane Ablonczy for Philip Mayfield, Jason Kenney for Paul Forseth, Peter MacKay for Peter Goldring, Dennis Mills for Hon. Maurizio Bevilacqua, Marcel Proulx for Dominic LeBlanc, Hon. Robert Thibault for Hon. Steve Mahoney and Vic Toews for Val Meredith.

In attendance: Library of Parliament: Brian O'Neal, Analyst. *House of Commons:* Gregory Tardi, Senior Legal Counsel.

Witnesses: As an Individual: Isabelle Roy.

Other Participants present: As an Individual: Rodrigue Landriault, Counsel to Isabelle Roy. *KPMG:* Greg McEvoy, Forensic Auditor.

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004.

The witness answered questions.

At 4:16 p.m., the sitting was suspended.

At 4:21 p.m., the sitting resumed.

Questioning of the witness resumed.

By unanimous consent, it was agreed, — That the draft report of the Committee recommending that the Government pay for the legal fees of public servants who have been called in relation to its study of Chapters 3, 4 and 5 of the November 2003 Report of the Auditor General of Canada be adopted.

By unanimous consent, it was agreed, — That, notwithstanding Standing Order 109, the Committee requests that the Government table a response to this report as soon as possible.

By unanimous consent, it was agreed, — That the Clerks be authorized to make such grammatical and editorial changes as may be necessary without changing the substance of the report.

By unanimous consent, it was agreed, — That the Chair be instructed to present the report to the House at the earliest opportunity.

Peter MacKay moved, — That, in relation to Chapters 3, 4 and 5 of the November 2003 Auditor General's Report, the Committee requests the daytimer and the agenda book of Mr. André Ouellet during his tenure at Canada Post from January 1996 to February 24, 2003 .

Debate arose thereon.

By unanimous consent, it was agreed, — That the motion be amended by adding after the words "February 24, 2003" the following: "and that the Law Clerk be instructed to review these documents prior to releasing them to the Committee to ensure that only information pertinent to the Committee's study is released".

After debate, the question was put on the motion, as amended, and it was agreed to.

Peter MacKay moved, — That in relation to Chapters 3, 4 and 5 of the November 2003 Report of the Auditor General, this Committee requests all correspondence relating to sponsorship and advertising or marketing ventures of Mr. André Ouellet during his tenure at Canada Post.

Debate arose thereon.

By unanimous consent, it was agreed, — That the motion be amended by adding after the words "all correspondence" the following: "of Canada Post addressed to or by Mr. André Ouellet from January 1996 to February 24, 2003".

After debate, the question was put on the motion, as amended, and it was agreed to.

At 5:19 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee

2004/04/22 3:27 p.m.

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 3rd SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON PUBLIC ACCOUNTS

Chair: John Williams.

Meeting No. 29

Wednesday, April 21, 2004

ORDER OF THE DAY:

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004.

MEMBERS OF THE COMMITTEE PRESENT:

Odina Desrochers,
Paul Forseth,
Marlene Jennings,
Hon. Joe Jordan,
Hon. Walt Lastewka,
Dominic LeBlanc,
Hon. Shawn Murphy,
Alan Tonks,
Judy Wasylcyia-Leis
and John Williams.

ACTING MEMBERS PRESENT:

Diane Ablonczy for Philip Mayfield,
Jason Kenney for Paul Forseth,
Peter MacKay for Peter Goldring,
Dennis Mills for Hon. Maurizio Bevilacqua,
Marcel Proulx for Beth Phinney,
Hon. Robert Thibault for Hon. Steve Mahoney,

and Vic Toews for Val Meredith.

IN ATTENDANCE:

Library of Parliament:

Brian O'Neal, Analyst.

House of Commons:

Rob Walsh, Law Clerk and Parliamentary Counsel.

WITNESSES:

Royal Canadian Mounted Police:

Giuliano Zaccardelli, Commissioner.

OTHER PARTICIPANTS PRESENT:

KPMG:

Greg McEvoy, Forensic Auditor.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee



MINUTES OF PROCEEDINGS

Meeting No. 29

Wednesday, April 21, 2004

The Standing Committee on Public Accounts met in a televised session at 3:34 p.m. this day, in Room 237-C Centre Block, the Chair, John Williams, presiding.

Members of the Committee present: Odina Desrochers, Paul Forseth, Marlene Jennings, Hon. Joe Jordan, Hon. Walt Lastewka, Dominic LeBlanc, Hon. Shawn Murphy, Alan Tonks, Judy Wasylycia-Leis and John Williams.

Acting Members present: Diane Ablonczy for Philip Mayfield, Jason Kenney for Paul Forseth, Peter MacKay for Peter Goldring, Dennis Mills for Hon. Maurizio Bevilacqua, Marcel Proulx for Beth Phinney, Hon. Robert Thibault for Hon. Steve Mahoney and Vic Toews for Val Meredith.

In attendance: Library of Parliament: Brian O'Neal, Analyst. *House of Commons:* Rob Walsh, Law Clerk and Parliamentary Counsel.

Witnesses: Royal Canadian Mounted Police: Giuliano Zaccardelli, Commissioner.

Other Participants present: KPMG: Greg McEvoy, Forensic Auditor.

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004.

Pursuant to the motion adopted on April 14, 2004, the witness was sworn in.

The witness made a statement and answered questions.

At 5:39 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee

2004/04/23 10:26 a.m.

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 3rd SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON PUBLIC ACCOUNTS

Chair: John Williams

Meeting No. 30

Thursday, April 22, 2004

ORDER OF THE DAY:

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004

MEMBERS OF THE COMMITTEE PRESENT:

Odina Desrochers
Hon. Joe Jordan
Hon. Walt Lastewka
Dominic LeBlanc
Hon. Shawn Murphy
Beth Phinney
Alan Tonks
Judy Wasylycia-Leis
John Williams

ACTING MEMBERS PRESENT:

Diane Ablonczy for Philip Mayfield
Michel Gauthier for Roger Gaudet
Michel Guimond for Roger Gaudet
Jason Kenney for Paul Forseth
Peter MacKay for Peter Goldring
Dennis Mills for Hon. Maurizio Bevilacqua
Marcel Proulx for Marlene Jennings
Hon. Robert Thibault for Hon. Steve Mahoney
Vic Toews for Val Meredith

ASSOCIATE MEMBER PRESENT:

Pat Martin

OTHER MEMBERS PRESENT:

Hon. Bill Blaikie
Hon. John Harvard
Yvan Loubier
Paul Szabo

IN ATTENDANCE:

Library of Parliament:

Brian O'Neal, Analyst.

House of Commons:

Rob Walsh, Law Clerk and Parliamentary Counsel.

WITNESS:

As Individual:

Charles Guité.

OTHER PARTICIPANTS PRESENT:

KPMG:

Greg McEvoy, Forensic Auditor.

As Individual:

Michael D. Edelson, Counsel to Charles Guité.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee

MINUTES OF PROCEEDINGS

Sitting No. 30

Thursday, April 22, 2004

The Standing Committee on Public Accounts met in a televised session at 9:04 a.m. this day, in Room 237-C Centre Block, the Chair, John Williams, presiding.

Members of the Committee present: Odina Desrochers, Hon. Joe Jordan, Hon. Walt Lastewka, Dominic LeBlanc, Hon. John Murphy, Beth Phinney, Alan Tonks, Judy Wasylycia-Leis and John Williams.

Guest Members present: Diane Ablonczy for Philip Mayfield, Michel Gauthier for Roger Gaudet, Michel Guimond for Roger Gaudet, Jason Kenney for Paul Forseth, Peter MacKay for Peter Goldring, Dennis Mills for Hon. Maurizio Macquarrie, Marcel Proulx for Marlene Jennings, Hon. Robert Thibault for Hon. Steve Mahoney and Vic Toews for Val McRith.

Associate Members present: Pat Martin.

Other Members present: Hon. Bill Blaikie, Hon. John Harvard, Yvan Loubier and Paul Szabo.

Attendance: Library of Parliament: Brian O'Neal, Analyst. *House of Commons:* Rob Walsh, Law Clerk and Parliamentary Counsel.

Witnesses: As an Individual: Charles Guité.

Other Participants present: KPMG: Greg McEvoy, Forensic Auditor. *As an Individual:* Michael D. Edelson, Counsel to Charles Guité.

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004.

Pursuant to the motion adopted on April 14, 2004, the witness was sworn in.

It was agreed, — That all rounds of questioning for this witness be eight (8) minutes.

The witness made a statement and answered questions.

At 1:02 a.m., the sitting was suspended.

At 1:22 a.m., the sitting resumed.

At 2:04 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee

2004/04/23 10:28 a.m.

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 3rd SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON PUBLIC ACCOUNTS

Chair: John Williams.

Meeting No. 31

Thursday, April 22, 2004

ORDER OF THE DAY:

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004.

MEMBERS OF THE COMMITTEE PRESENT:

Odina Desrochers,
Marlene Jennings,
Hon. Joe Jordan,
Hon. Walt Lastewka,
Dominic LeBlanc,
Hon. Shawn Murphy,
Alan Tonks,
Judy Wasylycia-Leis
and John Williams.

ACTING MEMBERS PRESENT:

Diane Ablonczy for Philip Mayfield,
Hon. Larry Bagnell for Dominic LeBlanc,
Michel Gauthier for Roger Gaudet,
Michel Guimond for Roger Gaudet,
Jason Kenney for Paul Forseth,
Judi Longfield for Hon. Steve Mahoney,
Peter MacKay for Peter Goldring,

Hon. John McKay for Hon. Shawn Murphy,
Dennis Mills for Hon. Maurizio Bevilacqua,
Marcel Proulx for Beth Phinney,
Hon. Robert Thibault for Hon. Steve Mahoney,
and Vic Toews for Val Meredith.

ASSOCIATE MEMBERS PRESENT:

Pat Martin.

IN ATTENDANCE:

Library of Parliament:

Brian O'Neal, Analyst.

House of Commons:

Rob Walsh, Law Clerk and Parliamentary Counsel.

WITNESSES:

As an Individual:

Charles Guité.

OTHER PARTICIPANTS PRESENT:

KPMG:

Greg McEvoy, Forensic Auditor.

As an Individual:

Michael D. Edelson, Counsel to Charles Guité.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee



MINUTES OF PROCEEDINGS

Meeting No. 31

Thursday, April 22, 2004

The Standing Committee on Public Accounts met in a televised session at 3:32 p.m. this day, in Room 237-C Centre Block, the Chair, John Williams, presiding.

Members of the Committee present: Odina Desrochers, Marlene Jennings, Hon. Joe Jordan, Hon. Walt Lastewka, Dominic LeBlanc, Hon. Shawn Murphy, Alan Tonks, Judy Wasylycia-Leis and John Williams.

Acting Members present: Diane Ablonczy for Philip Mayfield, Hon. Larry Bagnell for Dominic LeBlanc, Michel Gauthier for Roger Gaudet, Michel Guimond for Roger Gaudet, Jason Kenney for Paul Forseth, Judi Longfield for Hon. Steve Mahoney, Peter MacKay for Peter Goldring, Hon. John McKay for Hon. Shawn Murphy, Dennis Mills for Hon. Maurizio Bevilacqua, Marcel Proulx for Beth Phinney, Hon. Robert Thibault for Hon. Steve Mahoney and Vic Toews for Val Meredith.

Associate Members present: Pat Martin.

In attendance: Library of Parliament: Brian O'Neal, Analyst. *House of Commons:* Rob Walsh, Law Clerk and Parliamentary Counsel.

Witnesses: As an Individual: Charles Guité.

Other Participants present: KPMG: Greg McEvoy, Forensic Auditor. *As an Individual:* Michael D. Edelson, Counsel to Charles Guité.

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004.

The witness answered questions.

On motion of Judy Wasylycia-Leis, it was agreed, — That the Committee request Public Works and Government Services Canada to provide a detailed breakdown of the disbursements made under contract EP043-9-0037 with respect to the sponsorship of the Pan Am Games in Winnipeg in 1999. Of particular interest are details of the \$1,591,420 in production costs.

Judy Wasylycia-Leis moved, — That the Standing Committee on Public Accounts call on the Honourable John Gomery of the Superior Court of Québec, or someone on his behalf, to appear before it to update the Committee on the progress of his Commission of Inquiry as it relates to the Auditor-General's November 2003 Report.

After debate, the question was put on the motion and it was negatived, by a show of hands: YEAS: 10;

NAYS: 3.

Judy Wasylycia-Leis moved, — That the Standing Committee on Public Accounts call on Ms. Donna Achimov, former employee of Public Works and Government Services Canada, to appear before it.

After debate, the question was put on the motion and it was agreed to.

On motion of Joe Jordan, it was agreed, — That a waiver for the publication of details related to ex-gratia payments for the fiscal year ending March 31, 2004 be granted to the following:

- Merchant marine veterans
- Heating fuel rebates
- Payments made to resolve claims arising from the Indian Schools system

on the provision that the gross amounts for each and the total number of claims are reported to Parliament.

At 5:39 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee

2004/04/26 2:58 p.m.

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 3rd SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON PUBLIC ACCOUNTS

Chair: John Williams, CPC

Meeting No. 32

Friday, April 23, 2004

ORDER OF THE DAY:

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004

MEMBERS OF THE COMMITTEE PRESENT:

Odina Desrochers
Marlene Jennings
Hon. Joe Jordan
Hon. Walt Lastewka
Dominic LeBlanc
Dennis Mills
Alan Tonks
Judy Wasylcyia-Leis
John Williams

ACTING MEMBERS PRESENT:

Diane Ablonczy for Philip Mayfield
Bernard Bigras for Roger Gaudet
Hon. Wayne Easter for Hon. Steve Mahoney
Michel Gauthier for Roger Gaudet
Monique Guay for Odina Desrochers
Jason Kenney for Paul Forseth
Derek Lee for Beth Phinney
Judi Longfield for Hon. Shawn Murphy
Peter MacKay for Peter Goldring
Dennis Mills for Hon. Maurizio Bevilacqua
Marcel Proulx for Hon. Steve Mahoney
Scott Reid for Peter Goldring
and Vic Toews for Val Meredith

ASSOCIATE MEMBER PRESENT:

Pat Martin

OTHER MEMBER PRESENT:

Michel Guimond

IN ATTENDANCE:

Library of Parliament:

Brian O'Neal, Analyst.

House of Commons:

Rob Walsh, Law Clerk and Parliamentary Counsel.

WITNESSES:

As Individual:

Charles Guité.

Office of the Auditor General of Canada:

Jacques Maziade, Parliamentary Liaison Officer.

OTHER PARTICIPANTS PRESENT:

As Individual:

Michael D. Edelson, Counsel to Charles Guité.

KPMG:

Greg McEvoy, Forensic Auditor.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee



Français

MINUTES OF PROCEEDINGS

Meeting No. 32

Friday, April 23, 2004

The Standing Committee on Public Accounts met in a televised session at 9:07 a.m. this day, in Room 237-C Centre Block, the Chair, John Williams, presiding.

Members of the Committee present: Odina Desrochers, Marlene Jennings, Hon. Joe Jordan, Hon. Walt Lastewka, Dominic LeBlanc, Dennis Mills, Alan Tonks, Judy Wasylycia-Leis and John Williams.

Acting Members present: Diane Ablonczy for Philip Mayfield, Bernard Bigras for Roger Gaudet, Hon. Wayne Easter for Hon. Steve Mahoney, Michel Gauthier for Roger Gaudet, Monique Guay for Odina Desrochers, Jason Kenney for Paul Forseth, Derek Lee for Beth Phinney, Judi Longfield for Hon. Shawn Murphy, Peter MacKay for Peter Goldring, Dennis Mills for Hon. Maurizio Bevilacqua, Marcel Proulx for Hon. Steve Mahoney, Scott Reid for Peter Goldring and Vic Toews for Val Meredith.

Associate Members present: Pat Martin.

Other Members present: Michel Guimond.

In attendance: Library of Parliament: Brian O'Neal, Analyst. *House of Commons:* Rob Walsh, Law Clerk and Parliamentary Counsel.

Witnesses: As an Individual: Charles Guité. *Office of the Auditor General of Canada:* Jacques Maziade.

Other Participants present: As an Individual: Michael D. Edelson, Counsel to Charles Guité. *KPMG:* Greg McEvoy, Forensic Auditor.

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004.

The witness answered questions.

At 11:16 a.m., the sitting was suspended.

At 12:22 p.m., the sitting resumed.

At 12:25 p.m., Marlene Jennings took the Chair.

At 12:31 p.m., John Williams took the Chair.

Marlene Jennings moved, — That, pursuant to S.O. 108(3)(g), Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the

November 2003 Report of the Auditor General of Canada referred to the Standing Committee on Public Accounts on February 10, 2004, this Committee call the Auditor General of Canada to appear on Wednesday, April 28, 2004, the Honourable Alfonso Gagliano to appear on Thursday, April 29, 2004 and Mr. Ranald Quail to appear on Friday, April 30, 2004.

Debate arose thereon.

Marlene Jennings moved, — That the motion be amended by replacing the words “Auditor General of Canada to appear on Wednesday, April 28, 2004, the Honourable Alfonso Gagliano to appear on Thursday, April 29, 2004 and Mr. Ranald Quail to appear on Friday, April 30, 2004” with the words “Mr. Ranald Quail to appear on Wednesday, April 28, 2004 and on Thursday, April 29, 2004, a witness to be determined to appear on Thursday, April 28, 2004 and the Auditor General of Canada to appear on Monday, May 3, 2004”.

After debate, the question was put on the amendment of Marlene Jennings and it was agreed to on the following recorded division: YEAS: Marlene Jennings, Joe Jordan, Walt Lastewka, Dominic LeBlanc, Derek Lee, Judi Longfield, Dennis Mills, Marcel Proulx, Alan Tonks — 9; NAYS: Diane Ablonczy, Bernard Bigras, Monique Guay, Jason Kenney, Scott Reid, Vic Toews, Judy Wasylycia-Leis — 7.

The question was put on the motion, as amended, and it was agreed to.

At 1:03 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee

2004/04/27 2:53 p.m.

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 3rd SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON PUBLIC ACCOUNTS

Chair: John Williams, PCP

Meeting No. 33

Tuesday, April 27, 2004

ORDER OF THE DAY:

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004

MEMBERS OF THE COMMITTEE PRESENT:

Odina Desrochers
Marlene Jennings
Hon. Joe Jordan
Hon. Walt Lastewka
Dennis Mills
Hon. Shawn Murphy
Hon. Robert Thibault
Alan Tonks
Judy Wasylycia-Leis
John Williams

ACTING MEMBERS PRESENT:

Diane Ablonczy for Philip Mayfield
Michel Guimond for Roger Gaudet
Christian Jobin for Beth Phinney
Jason Kenney for Paul Forseth
Peter MacKay for Peter Goldring

IN ATTENDANCE:

Library of Parliament:

Brian O'Neal, Analyst.

House of Commons:

Gregory Tardi, Senior Legal Counsel.

WITNESSES:

As Individuals:

John Hayter;
Bernard Michaud.

OTHER PARTICIPANT PRESENT:

KPMG:

Greg McEvoy, Forensic Auditor.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee



Français

MINUTES OF PROCEEDINGS

Meeting No. 33

Tuesday, April 27, 2004

The Standing Committee on Public Accounts met in a televised session at 9:09 a.m. this day, in Room 237-C Centre Block, the Chair, John Williams, presiding.

Members of the Committee present: Odina Desrochers, Marlene Jennings, Hon. Joe Jordan, Hon. Walt Lastewka, Dennis Mills, Hon. Shawn Murphy, Hon. Robert Thibault, Alan Tonks, Judy Wasylycia-Leis and John Williams.

Acting Members present: Diane Ablonczy for Philip Mayfield, Michel Guimond for Roger Gaudet, Christian Jobin for Beth Phinney, Jason Kenney for Paul Forseth and Peter MacKay for Peter Goldring.

In attendance: Library of Parliament: Brian O'Neal, Analyst. *House of Commons:* Gregory Tardi, Senior Legal Counsel.

Witnesses: As Individuals: John Hayter; Bernard Michaud.

Other Participants present: KPMG: Greg McEvoy, Forensic Auditor.

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004.

Pursuant to the motion adopted on April 14, 2004, the witness was sworn in.

Bernard Michaud made a statement and answered questions.

At 11:09 a.m., the sitting was suspended.

At 11:19 a.m., the sitting resumed.

Pursuant to the motion adopted on April 14, 2004, the witness was sworn in.

John Hayter made a statement and answered questions.

By unanimous consent, it was agreed, — That, notwithstanding the motion of Friday, April 23, 2004, Mr. Ranald Quail appear before the Committee on Wednesday, May 5, 2004 rather than April 28, 2004.

At 1:00 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee

2004/04/28 8:35 a.m.

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON PUBLIC ACCOUNTS

Chair: John Williams, CPC

Meeting No. 34

Tuesday, April 27, 2004

ORDER OF THE DAY:

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004

MEMBERS OF THE COMMITTEE PRESENT:

Odina Desrochers
Marlene Jennings
Hon. Joe Jordan
Hon. Walt Lastewka
Dennis Mills
Hon. Shawn Murphy
Hon. Robert Thibault
Alan Tonks
Judy Wasylcia-Leis
John William

ACTING MEMBERS PRESENT:

Diane Ablonczy for Philip Mayfield
Christian Jobin for Beth Phinney
Jason Kenney for Paul Forseth
Judi Longfield for Dominic LeBlanc
Peter MacKay for Peter Goldring
Vic Toews for Val Meredith

IN ATTENDANCE:

Library of Parliament:

Brian O'Neal, Analyst.

House of Commons:

Gregory Tardi, Senior Legal Counsel;

Rob Walsh, Law Clerk and Parliamentary Counsel.

WITNESSES:

PWGSC Former Quick Response Team:

Myra Conway, Director General, Finance;

Steve McLaughlin, Director;

Rodney Monette, Assistant Deputy Minister, Government
Operations Services Branch.

OTHER PARTICIPANT PRESENT:

KPMG:

Greg McEvoy, Forensic Auditor.

Rodney Monette made a statement and, with the other witnesses, answered questions.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee



Français

MINUTES OF PROCEEDINGS

Meeting No. 34

Tuesday, April 27, 2004

The Standing Committee on Public Accounts met in a televised session at 3:32 p.m. this day, in Room 237-C Centre Block, the Chair, John Williams, presiding.

Members of the Committee present: Odina Desrochers, Marlene Jennings, Hon. Joe Jordan, Hon. Walt Lastewka, Dennis Mills, Hon. Shawn Murphy, Robert Thibault, Alan Tonks, Judy Wasylycia-Leis and John Williams.

Acting Members present: Diane Ablonczy for Philip Mayfield, Christian Jobin for Beth Phinney, Jason Kenney for Paul Forseth, Judi Longfield for Dominic LeBlanc, Peter MacKay for Peter Goldring and Vic Toews for Val Meredith.

In attendance: Library of Parliament: Brian O'Neal, Analyst. *House of Commons:* Gregory Tardi, Senior Legal Counsel; Rob Walsh, Law Clerk and Parliamentary Counsel.

Witnesses: PWGSC Former Quick Response Team: Myra Conway, Director General, Finance; Steve McLaughlin, Director; Rodney Monette, Assistant Deputy Minister, Government Operations Services Branch.

Other Participants present: KPMG: Greg McEvoy, Forensic Auditor.

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004.

Pursuant to the motion adopted on April 14, 2004, the witnesses were sworn in.

Rodney Monette made a statement and, with the other witnesses, answered questions.

At 5:25 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee

2004/05/05 2:34 p.m.

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 3rd SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON PUBLIC ACCOUNTS

Chair: John Williams, CPC

Meeting No. 35

Wednesday, April 28, 2004

ORDER OF THE DAY:

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004

MEMBERS OF THE COMMITTEE PRESENT:

Odina Desrochers
Marlene Jennings
Hon. Joe Jordan
Hon. Walt Lastewka
Dennis Mills
Hon. Shawn Murphy
Hon. Robert Thibault
Alan Tonks
Judy Wasylcia-Leis
John Williams

IN ATTENDANCE:

Library of Parliament:

Brian O'Neal, Analyst.

House of Commons:

Rob Walsh, Law Clerk and Parliamentary Counsel;
Gregory Tardi, Senior Legal Counsel.

WITNESS:

As Individual:

David Myer.

OTHER PARTICIPANTS PRESENT:

As Individual:

Steven Levitt, Counsel to David Myer.

KPMG:

Greg McEvoy, Forensic Auditor.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee



Français

MINUTES OF PROCEEDINGS

Meeting No. 35

Wednesday, April 28, 2004

The Standing Committee on Public Accounts met at 3:35 p.m. this day, in Room 237-C Centre Block, the Chair, John Williams, presiding.

Members of the Committee present: Odina Desrochers, Marlene Jennings, Hon. Joe Jordan, Hon. Walt Lastewka, Dennis Mills, Hon. Shawn Murphy, Hon. Robert Thibault, Alan Tonks, Judy Wasylycia-Leis and John Williams.

In attendance: Library of Parliament: Brian O'Neal, Analyst. *House of Commons:* Rob Walsh, Law Clerk and Parliamentary Counsel; Gregory Tardi, Senior Legal Counsel.

Witnesses: As an Individual: David Myer.

Other Participants present: As an Individual: Steven Levitt, Counsel to David Myer. *KPMG:* Greg McEvoy, Forensic Auditor.

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004.

By unanimous consent, it was agreed, — That the Committee request that the Department of Public Works and Government Services Canada forward an unedited copy of the administrative review reports produced by Kroll Lindquest Avey to the Law Clerk and Parliamentary Counsel for his examination and that the Law Clerk and Parliamentary Counsel report to the Committee on the appropriateness of the deletions suggested by the Department of Public Works and Government Services Canada.

Pursuant to the motion adopted on April 14, 2004, the witness was sworn in.

David Myer made a statement and answered questions.

At 5:08 p.m., Joe Jordan took the Chair.

At 5:12 p.m., John Williams took the Chair.

At 5:33 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee

2004/04/30 9:09 a.m.

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON PUBLIC ACCOUNTS

Chair: John Williams, CPC

Meeting No. 36

Thursday, April 29, 2004

ORDER OF THE DAY:

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004.

MEMBERS OF THE COMMITTEE PRESENT:

Odina Desrochers,
Marlene Jennings,
Hon. Walt Lastewka,
Dennis Mills,
Hon. Shawn Murphy,
Hon. Robert Thibault,
Alan Tonks,
Judy Wasylycia-Leis
and John Williams.

ACTING MEMBERS PRESENT:

Diane Ablonczy for Philip Mayfield,
Ken Epp for Val Meredith,
Michel Guimond for Roger Gaudet,
Christian Jobin for Hon. Joe Jordan,
Jason Kenney for Paul Forseth,
Peter MacKay for Peter Goldring,
Paul Harold Macklin for Dominic LeBlanc,

Marcel Proulx for Hon. Walt Lastewka,
and Vic Toews for Val Meredith.

IN ATTENDANCE:

Library of Parliament:

Brian O'Neal, Analyst.

House of Commons:

Gregory Tardi, Senior Legal Counsel;

Rob Walsh, Law Clerk and Parliamentary Counsel.

WITNESSES:

As an Individual:

Gilles-André Gosselin.

OTHER PARTICIPANTS PRESENT:

KPMG:

Greg McEvoy, Forensic Auditor.

As Individuals:

Josée Gamache, Counsel to Gilles-André Gosselin;

Pierre Leduc, Counsel to Gilles-André Gosselin.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee



MINUTES OF PROCEEDINGS

Meeting No. 36

Thursday, April 29, 2004

The Standing Committee on Public Accounts met in a televised session at 9:07 a.m. this day, in Room 237-C Centre Block, the Chair, John Williams, presiding.

Members of the Committee present: Odina Desrochers, Marlene Jennings, Hon. Walt Lastewka, Dennis Mills, Hon. Shawn Murphy, Hon. Robert Thibault, Alan Tonks, Judy Wasylycia-Leis and John Williams.

Acting Members present: Diane Ablonczy for Philip Mayfield, Ken Epp for Val Meredith, Michel Guimond for Roger Gaudet, Christian Jobin for Hon. Joe Jordan, Jason Kenney for Paul Forseth, Peter MacKay for Peter Goldring, Paul Harold Macklin for Dominic LeBlanc, Marcel Proulx for Hon. Walt Lastewka and Vic Toews for Val Meredith.

In attendance: Library of Parliament: Brian O'Neal, Analyst. *House of Commons:* Gregory Tardi, Senior Legal Counsel; Rob Walsh, Law Clerk and Parliamentary Counsel.

Witnesses: As an Individual: Gilles-André Gosselin.

Other Participants present: KPMG: Greg McEvoy, Forensic Auditor. *As Individuals:* Josée Gamache, Counsel to Gilles-André Gosselin; Pierre Leduc, Counsel to Gilles-André Gosselin.

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004.

Pursuant to the motion adopted on April 14, 2004, the witness was sworn in.

Gilles-André Gosselin made a statement and answered questions.

By unanimous consent, it was agreed, — That all rounds of questioning for this witness be eight (8) minutes.

At 11:08 a.m., the sitting was suspended.

At 11:29 a.m., the sitting resumed.

By unanimous consent, on motion of Marlene Jennings, it was agreed, — That the Committee host a working luncheon for members of the Public Accounts Committee of the Republic of Ireland during the week of May 3, 2004.

At 1:02 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee

2004/04/30 9:06 a.m.

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON PUBLIC ACCOUNTS

Chair: John Williams.

Meeting No. 37

Thursday, April 29, 2004

ORDER OF THE DAY:

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004.

MEMBERS OF THE COMMITTEE PRESENT:

Odina Desrochers,
Paul Forseth,
Marlene Jennings,
Hon. Walt Lastewka,
Dennis Mills,
Hon. Shawn Murphy,
Alan Tonks
and John Williams.

ACTING MEMBERS PRESENT:

Diane Ablonczy for Philip Mayfield,
Bill Casey for Peter Goldring,
Rodger Cuzner for Dominic LeBlanc,
Monique Guay for Roger Gaudet,
Christian Jobin for Hon. Joe Jordan,
Derek Lee for Hon. Robert Thibault,
Judi Longfield for Beth Phinney,
Pat Martin for Judy Wasylycia-Leis,

and Vic Toews for Val Meredith.

IN ATTENDANCE:

Library of Parliament:

Brian O'Neal, Analyst.

House of Commons:

Rob Walsh, Law Clerk and Parliamentary Counsel.

WITNESSE:

As an Individual:

Pierre Leduc, Counsel to Gilles-André Gosselin.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee

MINUTES OF PROCEEDINGS

Meeting No. 37

Thursday, April 29, 2004

Standing Committee on Public Accounts met in a televised session at 3:22 p.m. this day, in Room 237-C Centre Block, the Chair, John Williams, presiding.

Members of the Committee present: Odina Desrochers, Paul Forseth, Marlene Jennings, Hon. Walt Lastewka, Dennis Mills, Hon. Shawn Murphy, Alan Tonks and John Williams.

Guest Members present: Diane Ablonczy for Philip Mayfield, Bill Casey for Peter Goldring, Rodger Cuzner for Dominic LeBlanc, Monique Guay for Roger Gaudet, Christian Jobin for Hon. Joe Jordan, Derek Lee for Hon. Robert Paul, Judi Longfield for Beth Phinney, Pat Martin for Judy Wasylycia-Leis and Vic Toews for Val Meredith.

Attendance: *Library of Parliament:* Brian O'Neal, Analyst. *House of Commons:* Rob Walsh, Law Clerk and Parliamentary Counsel.

Witnesses: *As an Individual:* Pierre Leduc, Counsel to Gilles-André Gosselin.

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004.

At 3:23 p.m., the sitting was suspended.

At 3:28 p.m., the sitting resumed.

Pierre Leduc made a statement.

Marlene Jennings moved, — That, notwithstanding the motion adopted on Friday April 23, 2004 and pursuant to Standing Order 108(3)(g), Chapter 3, the Sponsorship program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Standing Committee on Public Accounts on February 10, 2004, this Committee invite the following witnesses to appear:

Monday, May 3, 2004

3:00 p.m.-5:30 p.m.

Chairman of the Privy Council

Tuesday, May 4, 2004

10:00 a.m.-1:00 p.m.

Chairman of the Privy Council

3:00 p.m.-5:30 p.m.

One representative of industry professionals

Wednesday, May 5, 2004

3:30 p.m.-5:30 p.m.

Mr. Ranald Quail

Thursday, May 6, 2004

9:00 a.m.- 11:00 p.m

Auditor General

11:00 a.m.-1:00 p.m.

2 experts (including C.E.S. Franks)

3:30 p.m.-5:30 p.m.

2 experts.

After debate, the question was put on the motion and it was agreed to on the following recorded division: YEAS: Rodger Cuzner, Marlene Jennings, Christian Jobin, Walt Lastewka, Derek Lee, Judi Longfield, Dennis Mills, Shawn Murphy, Alan Tonks — 9; NAYS: Diane Ablonczy, Bill Casey, Odina Desrochers, Paul Forseth, Monique Guay, Vic Toews — 6.

Diane Ablonczy moved, — That, in relation to the study of Chapters 3, 4, and 5 of the November 2003 Report of the Auditor General of Canada regarding the Sponsorship Matter, the Standing Committee on Public Accounts request invoices and post-mortems referred to by Mr. Claude Boulay in his testimony before the Committee.

After debate, the question was put on the motion and it was agreed to on the following recorded division: YEAS: Ablonczy, Bill Casey, Rodger Cuzner, Odina Desrochers, Paul Forseth, Marlene Jennings, Christian Jobin, Walt Lastewka, Derek Lee, Judi Longfield, Dennis Mills, Shawn Murphy, Vic Toews, Alan Tonks — 14; NAYS: — 0.

At 3:53 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee

2004/05/03 10:18 a.m.

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 3rd SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON PUBLIC ACCOUNTS

Chair: John Williams, CPC

Meeting No. 38

Monday, May 3, 2004

ORDER OF THE DAY:

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004.

MEMBERS OF THE COMMITTEE PRESENT:

Odina Desrochers,
Marlene Jennings,
Hon. Joe Jordan,
Hon. Walt Lastewka,
Dennis Mills,
Hon. Shawn Murphy,
Beth Phinney,
Hon. Robert Thibault,
Alan Tonks,
Judy Wasylycia-Leis
and John Williams.

ACTING MEMBERS PRESENT:

Diane Ablonczy for Philip Mayfield,
Ken Epp for Val Meredith,
Jason Kenney for Paul Forseth,
Peter MacKay for Peter Goldring,
and Benoit Sauvageau for Roger Gaudet.

OTHER MEMBER PRESENT:

Joe Comartin.

IN ATTENDANCE:

Library of Parliament:

Brian O'Neal, Analyst.

House of Commons:

Rob Walsh, Law Clerk and Parliamentary Counsel.

WITNESSES:

Office of the Auditor General of Canada:

Sheila Fraser, Auditor General of Canada;

Ronald Campbell, Assistant Auditor General.

OTHER PARTICIPANT PRESENT:

KPMG:

Greg McEvoy, Forensic Auditor.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee



Français

MINUTES OF PROCEEDINGS

Meeting No. 38

Monday, May 3, 2004

The Standing Committee on Public Accounts met in a televised session at 11:05 a.m. this day, in Room 237-C Centre Block, the Chair, John Williams, presiding.

Members of the Committee present: Odina Desrochers, Marlene Jennings, Hon. Joe Jordan, Hon. Walt Lastewka, Dennis Mills, Hon. Shawn Murphy, Beth Phinney, Hon. Robert Thibault, Alan Tonks, Judy Wasylycia-Leis and John Williams.

Acting Members present: Diane Ablonczy for Philip Mayfield, Ken Epp for Val Meredith, Jason Kenney for Paul Forseth, Peter MacKay for Peter Goldring and Benoît Sauvageau for Roger Gaudet.

Other Members present: Joe Comartin.

In attendance: Library of Parliament: Brian O'Neal, Analyst. *House of Commons:* Rob Walsh, Law Clerk and Parliamentary Counsel.

Witnesses: Office of the Auditor General of Canada: Sheila Fraser, Auditor General of Canada; Ronald Campbell, Assistant Auditor General.

Other Participants present: KPMG: Greg McEvoy, Forensic Auditor.

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004.

Pursuant to the motion adopted on April 14, 2004, the witnesses were sworn in.

Sheila Fraser made a statement and, with Ronald Campbell, answered questions.

At 12:03 p.m., Beth Phinney took the Chair.

At 12:05 p.m., John Williams took the Chair.

At 1:07 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee

2004/05/03 3:01 p.m.

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 3rd SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON PUBLIC ACCOUNTS

Chair: John Williams, CPC

Meeting No. 39

Monday, May 3, 2004

ORDER OF THE DAY:

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004

MEMBERS OF THE COMMITTEE PRESENT:

Odina Desrochers,
Marlene Jennings
Hon. Joe Jordan
Dennis Mills
Hon. Shawn Murphy
Beth Phinney
Hon. Robert Thibault
Alan Tonks
Judy Wasylycia-Leis
John Williams

ACTING MEMBERS PRESENT:

Diane Ablonczy for Philip Mayfield
Leon Benoit for Val Meredith
Jason Kenney for Paul Forseth
Judi Longfield for Hon. Walt Lastewka
Peter MacKay for Peter Goldring

IN ATTENDANCE:

Library of Parliament:

Brian O'Neal, Analyst.

House of Commons:

Gregory Tardi, Senior Legal Counsel.

WITNESS:

Privy Council Office:

Alex Himelfarb, Clerk of the Privy Council.

OTHER PARTICIPANT PRESENT:

KPMG:

Greg McEvoy, Forensic Auditor.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee

MINUTES OF PROCEEDINGS

ing No. 39

lay, May 3, 2004

standing Committee on Public Accounts met in a televised session at 3:31 p.m. this day, in Room 237-C Centre
t, the Chair, John Williams, presiding.

Members of the Committee present: Odina Desrochers, Marlene Jennings, Hon. Joe Jordan, Dennis Mills, Hon. Shawn
hy, Beth Phinney, Hon. Robert Thibault, Alan Tonks, Judy Wasylycia-Leis and John Williams.

Members present: Diane Ablonczy for Philip Mayfield, Leon Benoit for Val Meredith, Jason Kenney for Paul
th, Judi Longfield for Hon. Walt Lastewka and Peter MacKay for Peter Goldring.

Attendance: Library of Parliament: Brian O'Neal, Analyst. *House of Commons:* Gregory Tardi, Senior Legal Counsel.

Privy Council Office: Alex Himelfarb, Clerk of the Privy Council.

Participants present: KPMG: Greg McEvoy, Forensic Auditor.

ant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program,
er 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report
Auditor General of Canada referred to the Committee on February 10, 2004.

ant to the motion adopted on April 14, 2004, the witness was sworn in.

Himelfarb made a statement and answered questions.

35 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee

05/04 9:32 a.m.

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 3rd SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CPC

Meeting No. 40

Tuesday, May 4, 2004

IN CAMERA

MINUTES OF PROCEEDINGS

Meeting No. 40

Thursday, May 4, 2004

The Standing Committee on Public Accounts met *in camera* at 11:50 a.m. this day, in Room 237-C Centre Block, the Honourable John Williams, presiding.

Members of the Committee present: Odina Desrochers, Marlene Jennings, Hon. Joe Jordan, Hon. Walt Lastewka, Hon. Martin LeBlanc, Hon. Shawn Murphy, Beth Phinney, Hon. Robert Thibault, Alan Tonks, Judy Wasylycia-Leis and Hon. John Williams.

Guest Members present: Diane Ablonczy for Philip Mayfield, Leon Benoit for Val Meredith, Richard Harris for Peter Bracken, Jason Kenney for Paul Forseth, Peter MacKay for Peter Goldring and Tony Tirabassi for Dennis Mills.

Attendance: Library of Parliament: Brian O'Neal, Analyst. *House of Commons:* Rob Walsh, Law Clerk and Parliamentary Counsel.

Witnesses: KPMG: Paul Levine, Partner; Victor Duret, Partner; Greg McEvoy, Senior Manager.

The Committee proceeded to the consideration of matters related to Committee business.

Paul Levine and Victor Duret made statements and answered questions.

The Chair presented the Sixth Report of the Subcommittee on Agenda and Procedure which read as follows:

The Subcommittee met on Tuesday, May 4, 2004.

The Subcommittee discussed the work of the forensic auditors hired by the Library of Parliament to assist the Committee.

The Subcommittee discussed the possible appearance before the Committee of a witness who had appeared before the Subcommittee on the Protection of Witnesses and Testimony.

The Subcommittee agreed to make the following recommendations:

That the members of the Committee make themselves available to representatives of the Parliamentary Centre in relation to its study into the work of the Standing Committee on Public Accounts, including, but not limited to, its study of chapters 3, 4 and 5 of the November 2003 Report of the Auditor General of Canada;

That the Committee invite Mr. Jean-Marc Bard to appear before it on Thursday, May 6, 2004.

It was agreed, — That the Sixth report of the Subcommittee on Agenda and Procedure be concurred in.

It was agreed, — That the presentation deck prepared by KPMG for the Committee be made public.

At 12 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee

2004/05/07 9:28 a.m.

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 3rd SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON PUBLIC ACCOUNTS

Chair: John Williams, CPC

Meeting No. 41

Tuesday, May 4, 2004

ORDERS OF THE DAY:

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004

The Committee proceeded to the consideration of matters related to Committee business

MEMBERS OF THE COMMITTEE PRESENT:

Odina Desrochers
Marlene Jennings
Hon. Joe Jordan
Hon. Walt Lastewka
Dennis Mills
Hon. Shawn Murphy
Beth Phinney
Hon. Robert Thibault
Judy Wasylycia-Leis
John Williams

ACTING MEMBERS PRESENT:

Diane Ablonczy for Philip Mayfield
Gérard Binet for Marlene Jennings
Jason Kenney for Paul Forseth
Gary Lunn for Val Meredith
Peter MacKay for Peter Goldring
Andy Savoy for Dominic LeBlanc

IN ATTENDANCE:

Library of Parliament:
Brian O'Neal, Analyst.

House of Commons:

Gregory Tardi, Senior Legal Counsel;
Rob Walsh, Law Clerk and Parliamentary Counsel.

WITNESS:

As Individual:

Guy McKenzie.

OTHER PARTICIPANT PRESENT:

KPMG:

Greg McEvoy, Forensic Auditor.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee

MINUTES OF PROCEEDINGS

Meeting No. 41

Monday, May 4, 2004

The Standing Committee on Public Accounts met in a televised session at 3:45 p.m. this day, in Room 237-C Centre Block, the Chair, John Williams, presiding.

Members of the Committee present: Odina Desrochers, Marlene Jennings, Hon. Joe Jordan, Hon. Walt Lastewka, Dennis Dawson, Hon. Shawn Murphy, Beth Phinney, Hon. Robert Thibault, Judy Wasylycia-Leis and John Williams.

Guest Members present: Diane Ablonczy for Philip Mayfield, Gérard Binet for Marlene Jennings, Jason Kenney for Paul Ramsey, Gary Lunn for Val Meredith, Peter MacKay for Peter Goldring and Andy Savoy for Dominic LeBlanc.

Attendance: Library of Parliament: Brian O'Neal, Analyst. House of Commons: Gregory Tardi, Senior Legal Counsel; John Walsh, Law Clerk and Parliamentary Counsel.

Guests: As an Individual: Guy McKenzie.

Participants present: KPMG: Greg McEvoy, Forensic Auditor.

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004.

Pursuant to the motion adopted on April 14, 2004, the witness was sworn in.

Guy McKenzie made a statement and answered questions.

The Committee proceeded to the consideration of matters related to Committee business.

John Walsh made a statement and answered questions.

By unanimous consent, Jason Kenney moved, — That Alain Richard be invited to appear before the Committee in connection with its study of Chapters 3, 4 and 5 of the November 2003 Report of the Auditor General of Canada.

The question was put on the motion and it was agreed to, by a show of hands: YEAS: 8; NAYS: 3.

It was agreed, — That Public Works and Government Services Canada provide integral copies of the administrative documents prepared by Kroll Lindquist Avey to the Committee and that the Committee make the report public.

At 5:58 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee

12/05/07 9:29 a.m.

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON PUBLIC ACCOUNTS

Chair: John Williams, CPC

Meeting No. 42

Wednesday, May 5, 2004

ORDER OF THE DAY:

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004

MEMBERS OF THE COMMITTEE PRESENT:

Odina Desrochers
Marlene Jennings
Hon. Joe Jordan
Hon. Walt Lastewka
Dennis Mills
Hon. Shawn Murphy
Beth Phinney
Hon. Robert Thibault
Alan Tonks
Judy Wasylycia-Leis
John Williams

ACTING MEMBERS PRESENT:

Diane Ablonczy for Philip Mayfield
Jason Kenney for Paul Forseth
Peter MacKay for Peter Goldring
Paul Harold Macklin for Dominic LeBlanc
Vic Toews for Val Meredith

IN ATTENDANCE:

Library of Parliament:

Brian O'Neal, Analyst.

House of Commons:

Gregory Tardi, Senior Legal Counsel;
Rob Walsh, Law Clerk and Parliamentary Counsel.

WITNESS:

As Individual:

Ranald Quail.

OTHER PARTICIPANTS PRESENT:

KPMG:

Greg McEvoy, Forensic Auditor.

As Individual:

George Hunter, Counsel to Ranald Quail.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee



MINUTES OF PROCEEDINGS

Meeting No. 42

Wednesday, May 5, 2004

The Standing Committee on Public Accounts met in a televised session at 3:34 p.m. this day, in Room 237-C Centre Block, the Chair, John Williams, presiding.

Members of the Committee present: Odina Desrochers, Marlene Jennings, Hon. Joe Jordan, Hon. Walt Lastewka, Dennis Mills, Hon. Shawn Murphy, Beth Phinney, Hon. Robert Thibault, Alan Tonks, Judy Wasylycia-Leis and John Williams.

Acting Members present: Diane Ablonczy for Philip Mayfield, Jason Kenney for Paul Forseth, Peter MacKay for Peter Goldring, Paul Harold Macklin for Dominic LeBlanc and Vic Toews for Val Meredith.

In attendance: Library of Parliament: Brian O'Neal, Analyst. *House of Commons:* Gregory Tardi, Senior Legal Counsel; Rob Walsh, Law Clerk and Parliamentary Counsel.

Witnesses: As an Individual: Ranald Quail.

Other Participants present: KPMG: Greg McEvoy, Forensic Auditor. *As an Individual:* George Hunter, Counsel to Ranald Quail.

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004.

Pursuant to the motion adopted on April 14, 2004, the witness was sworn in.

Ranald Quail made a statement and answered questions.

Jason Kenney moved, — That the Committee request copies of any notes taken by the Clerk of the Privy Council during meetings with the Prime Minister pertaining to items raised in Chapters 3, 4 and 5 of the November 2003 Report of the Auditor General of Canada, and that such notes be reviewed by the Committee's law clerk to advise the Committee on their relevance to the Committee's inquiry.

The question was put on the motion and it was negatived on the following recorded division: YEAS: Diane Ablonczy, Odina Desrochers, Jason Kenney, Peter MacKay, Vic Toews, Judy Wasylycia-Leis — 6; NAYS: Marlene Jennings, Joe Jordan, Walt Lastewka, Paul Harold Macklin, Dennis Mills, Shawn Murphy, Beth Phinney, Robert Thibault, Alan Tonks — 9.

By unanimous consent, it was agreed, — That, if requested, reasonable travel, accommodation and living expenses be reimbursed to counsel accompanying witness before this Committee during its study of Chapters 3, 4 and 5 of the November 2003 Report of the Auditor General of Canada.

At 5:35 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee

2004/05/07 10:39 a.m.

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 3rd SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON PUBLIC ACCOUNTS

Chair: John Williams, CPC

Meeting No. 43

Thursday, May 6, 2004

ORDER OF THE DAY:

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004.

MEMBERS OF THE COMMITTEE PRESENT:

Odina Desrochers,
Marlene Jennings,
Hon. Joe Jordan,
Hon. Walt Lastewka,
Dennis Mills,
Hon. Shawn Murphy,
Beth Phinney,
Hon. Robert Thibault,
Alan Tonks,
Judy Wasylycia-Leis
and John Williams.

ACTING MEMBERS PRESENT:

Diane Ablonczy for Philip Mayfield,
Michel Guimond for Roger Gaudet,
Jason Kenney for Paul Forseth,
Peter MacKay for Peter Goldring,
and Vic Toews for Val Meredith.

IN ATTENDANCE:

Library of Parliament:

Brian O'Neal, Analyst.

House of Commons:

Gregory Tardi, Senior Legal Counsel.

WITNESSES:

Office of the Auditor General of Canada:

Sheila Fraser, Auditor General of Canada;

Ronald Campbell, Assistant Auditor General.

As Individuals:

Patrick Boyer, Adjunct Professor, Department of Political Science,
University of Guelph;

C.E.S. Franks, Professor Emeritus of Political Science, Queen's
University.

OTHER PARTICIPANT PRESENT:

KPMG:

Greg McEvoy, Forensic Auditor.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee



Français

MINUTES OF PROCEEDINGS

Meeting No. 43

Thursday, May 6, 2004

The Standing Committee on Public Accounts met in a televised session at 9:05 a.m. this day, in Room 237-C Centre Block, the Chair, John Williams, presiding.

Members of the Committee present: Odina Desrochers, Marlene Jennings, Hon. Joe Jordan, Hon. Walt Lastewka, Dennis Mills, Hon. Shawn Murphy, Beth Phinney, Hon. Robert Thibault, Alan Tonks, Judy Wasylycia-Leis and John Williams.

Acting Members present: Diane Ablonczy for Philip Mayfield, Michel Guimond for Roger Gaudet, Jason Kenney for Paul Forseth, Peter MacKay for Peter Goldring and Vic Toews for Val Meredith.

In attendance: Library of Parliament: Brian O'Neal, Analyst. *House of Commons:* Gregory Tardi, Senior Legal Counsel.

Witnesses: Office of the Auditor General of Canada: Sheila Fraser, Auditor General of Canada; Ronald Campbell, Assistant Auditor General. *As Individuals:* Patrick Boyer, Adjunct Professor, Department of Political Science, University of Guelph; C.E.S. Franks, Professor Emeritus of Political Science, Queen's University.

Other Participants present: KPMG: Greg McEvoy, Forensic Auditor.

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004.

Sheila Fraser and Ronald Campbell answered questions.

At 10:48 a.m., the sitting was suspended.

At 11:08 a.m., the sitting resumed.

C.E.S. Franks and Patrick Boyer made statements and answered questions.

At 1:06 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee

2004/05/07 4:18 p.m.

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON PUBLIC ACCOUNTS

Chair: John Williams.

Meeting No. 44

Thursday, May 6, 2004

ORDER OF THE DAY:

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004.

MEMBERS OF THE COMMITTEE PRESENT:

Odina Desrochers,
Marlene Jennings,
Hon. Joe Jordan,
Hon. Walt Lastewka,
Dennis Mills,
Hon. Shawn Murphy,
Hon. Robert Thibault,
Alan Tonks
and John Williams.

ACTING MEMBERS PRESENT:

Diane Ablonczy for Philip Mayfield,
Murray Calder for Dominic LeBlanc,
Ken Epp for Peter Goldring,
Michel Guimond for Roger Gaudet,
Jason Kenney for Paul Forseth,
Pat Martin for Judy Wasylycia-Leis,
and Vic Toews for Val Meredith.

IN ATTENDANCE:

Library of Parliament:

Brian O'Neal, Analyst.

House of Commons:

Gregory Tardi, Senior Legal Counsel;

Rob Walsh, Law Clerk and Parliamentary Counsel.

WITNESSE(S):

As an Individual:

Jean-Marc Bard.

OTHER PARTICIPANTS PRESENT:

KPMG:

Greg McEvoy, Forensic Auditor.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee

MINUTES OF PROCEEDINGS

Meeting No. 44

Thursday, May 6, 2004

The Standing Committee on Public Accounts met at 3:34 p.m. this day, in Room 237-C Centre Block, the Chair, John Williams, presiding.

Members of the Committee present: Odina Desrochers, Marlene Jennings, Hon. Joe Jordan, Hon. Walt Lastewka, Hon. John Mills, Hon. Shawn Murphy, Hon. Robert Thibault, Alan Tonks and John Williams.

Guest Members present: Diane Ablonczy for Philip Mayfield, Murray Calder for Dominic LeBlanc, Ken Epp for Peter Bracken, Michel Guimond for Roger Gaudet, Jason Kenney for Paul Forseth, Pat Martin for Judy Wasylycia-Leis and John Toews for Val Meredith.

Attendance: *Library of Parliament:* Brian O'Neal, Analyst. *House of Commons:* Gregory Tardi, Senior Legal Counsel; Rob Walsh, Law Clerk and Parliamentary Counsel.

Witnesses: *As an Individual:* Jean-Marc Bard.

Other Participants present: *KPMG:* Greg McEvoy, Forensic Auditor.

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004.

Pursuant to the motion adopted on April 14, 2004, the witness was sworn in.

Jean-Marc Bard made a statement and answered questions.

At 3:35 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee

4/05/07 1:31 p.m.

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 3rd SESSION

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON PUBLIC ACCOUNTS

Chair: John Williams, CPC

Meeting No. 45

Tuesday, May 11, 2004

ORDER OF THE DAY:

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004.

MEMBERS OF THE COMMITTEE PRESENT:

Odina Desrochers,
Paul Forseth,
Marlene Jennings,
Hon. Joe Jordan,
Hon. Walt Lastewka,
Hon. Shawn Murphy,
Beth Phinney,
Alan Tonks,
Judy Wasylycia-Leis
and John Williams.

ACTING MEMBERS PRESENT:

Diane Ablonczy for Philip Mayfield,
Hon. Larry Bagnell for Dominic LeBlanc,
Leon Benoit for Val Meredith,
Michel Guimond for Roger Gaudet,
Jason Kenney for Paul Forseth,
Jason Kenney for Val Meredith,

Peter MacKay for Peter Goldring,
Paul Harold Macklin for Dennis Mills,
and Marcel Proulx for Hon. Robert Thibault.

ASSOCIATE MEMBER PRESENT:

Pat Martin.

IN ATTENDANCE:

Library of Parliament:

Brian O'Neal, Analyst.

House of Commons:

Gregory Tardi, Senior Legal Counsel;

Rob Walsh, Law Clerk and Parliamentary Counsel.

WITNESS:

As an Individual:

Richard Neville.

OTHER PARTICIPANT PRESENT:

KPMG:

Victor Duret, Partner.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee



Français

MINUTES OF PROCEEDINGS

Meeting No. 45

Tuesday, May 11, 2004

The Standing Committee on Public Accounts met in a televised session at 9:08 a.m. this day, in Room 237-C Centre Block, the Chair, John Williams, presiding.

Members of the Committee present: Odina Desrochers, Paul Forseth, Marlene Jennings, Hon. Joe Jordan, Hon. Walt Lastewka, Hon. Shawn Murphy, Beth Phinney, Alan Tonks, Judy Wasylycia-Leis and John Williams.

Acting Members present: Diane Ablonczy for Philip Mayfield, Hon. Larry Bagnell for Dominic LeBlanc, Leon Benoit for Val Meredith, Michel Guimond for Roger Gaudet, Jason Kenney for Paul Forseth, Jason Kenney for Val Meredith, Peter MacKay for Peter Goldring, Paul Harold Macklin for Dennis Mills and Marcel Proulx for Hon. Robert Thibault.

Associate Members present: Pat Martin.

In attendance: Library of Parliament: Brian O'Neal, Analyst. *House of Commons:* Gregory Tardi, Senior Legal Counsel; Rob Walsh, Law Clerk and Parliamentary Counsel.

Witnesses: As an Individual: Richard Neville.

Other Participants present: KPMG: Victor Duret, Partner.

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004.

Pursuant to the motion adopted on April 14, 2004, the witness was sworn in.

Richard Neville made a statement and answered questions.

At 10:00 a.m., the sitting was suspended.

At 10:04 a.m., the sitting resumed.

At 10:05 a.m., the sitting was suspended.

At 10:12 a.m., the sitting resumed.

At 11:14 a.m., the sitting was suspended.

At 11:30 a.m., the sitting resumed.

Joe Jordan moved, — That, notwithstanding the motion adopted by the Committee on Tuesday, May 4, 2004, the Committee receive evidence from Mr. Alain Richard by way of affidavit.

After debate, the question was put on the motion and it was agreed to, by a show of hands: YEAS: 11; NAYS: 2.

Shawn Murphy moved, — That this Committee spend the allotted time on Tuesday afternoon, Wednesday afternoon and Thursday of next week to meet in camera and discuss the issues with the Research staff, KPMG and the Law Clerk; synthesize the evidence and attempt to prepare and table an interim report on the evidence adduced to date, and any conclusions that can be drawn from such evidences and that the Research staff be prepared to speak to this issue on Tuesday afternoon.

Debate arose thereon.

At 12:59 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee

2004/05/14 11:14 a.m.

MINUTES OF PROCEEDINGS
STANDING COMMITTEE ON PUBLIC ACCOUNTS

Chair: John Williams, CPC

Meeting No. 46

Tuesday, May 11, 2004

ORDERS OF THE DAY:

Pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004

The Committee proceeded to the consideration of matters related to Committee business

MEMBERS OF THE COMMITTEE PRESENT:

Odina Desrochers
Marlene Jennings
Hon. Joe Jordan
Hon. Walt Lastewka
Hon. Shawn Murphy
Beth Phinney
Alan Tonks
Judy Wasylycia-Leis
John Williams

ACTING MEMBERS PRESENT:

Diane Ablonczy for Philip Mayfield
Peter Adams for Marlene Jennings
Leon Benoit for Peter Goldring
Michel Guimond for Roger Gaudet
Christian Jobin for Dennis Mills
Jason Kenney for Val Meredith
Peter MacKay for Paul Forseth
Paul Harold Macklin for Hon. Robert Thibault
Pat Martin for Judy Wasylycia-Leis
Marcel Proulx for Dominic LeBlanc

IN ATTENDANCE:

Library of Parliament:

Brian O'Neal, Analyst;

Jack Stilborn, Analyst.

House of Commons:

Gregory Tardi, Senior Legal Counsel;

Rob Walsh, Law Clerk and Parliamentary Counsel.

OTHER PARTICIPANT PRESENT:

KPMG:

Victor Duret, Partner.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee

MINUTES OF PROCEEDINGS

Meeting No. 46

Monday, May 11, 2004

The Standing Committee on Public Accounts met in a televised session at 3:38 p.m. this day, in Room 237-C Centre Block, Ottawa, Ontario, with the Chair, John Williams, presiding.

Members of the Committee present: Odina Desrochers, Marlene Jennings, Hon. Joe Jordan, Hon. Walt Lastewka, Hon. Shawn Murphy, Beth Phinney, Alan Tonks, Judy Wasylycia-Leis and John Williams.

Members present: Diane Ablonczy for Philip Mayfield, Peter Adams for Marlene Jennings, Leon Benoit for Peter Gaudet, Michel Guimond for Roger Gaudet, Christian Jobin for Dennis Mills, Jason Kenney for Val Meredith, Peter MacKay for Paul Forseth, Paul Harold Macklin for Hon. Robert Thibault, Pat Martin for Judy Wasylycia-Leis and Marcel Proulx for Dominic LeBlanc.

Attendance: *Library of Parliament:* Brian O'Neal, Analyst; Jack Stilborn, Analyst. *House of Commons:* Gregory Tardi, Legal Counsel; Rob Walsh, Law Clerk and Parliamentary Counsel.

Participants present: KPMG: Victor Duret, Partner.

At the meeting, pursuant to Standing Order 108(3)(g), the Committee resumed consideration of Chapter 3, the Sponsorship Program, Chapter 4, Advertising Activities and Chapter 5, Management of Public Opinion Research of the November 2003 Report of the Auditor General of Canada referred to the Committee on February 10, 2004.

The Committee resumed consideration of the motion of Shawn Murphy, — That this Committee spend the allotted time on Tuesday afternoon, Wednesday afternoon and Thursday of next week to meet in camera and discuss the issues with the Research staff, KPMG and the Law Clerk; synthesize the evidence and attempt to prepare and table an interim report on the evidence adduced to date, and any conclusions that can be drawn from such evidences and that the Research staff be prepared to speak to this issue on Tuesday afternoon.

Michel Guimond moved, — That the motion be amended by adding after the words “drawn from such evidences” the words “and that the Committee not table a report before hearing from the following witnesses: Jean Chrétien, Paul Martin, Warren Kinsella and Jean Carle, so that their evidence can be included in the report” and that the words “and that the words “and be deleted.

After debate, the question was put on the amendment of Michel Guimond and it was negatived on the following recorded vote: YEAS: Diane Ablonczy, Leon Benoit, Odina Desrochers, Michel Guimond, Jason Kenney, Peter MacKay, Pat Martin — 7; NAYS: Marlene Jennings, Christian Jobin, Joe Jordan, Walt Lastewka, Paul Harold Macklin, Shawn Murphy, Beth Phinney, Marcel Proulx, Alan Tonks — 9.

At 3 p.m., the sitting was suspended.

At 5 p.m., the sitting resumed.

Walt Lastewka moved, — That the motion be amended by:

deleting the words “and attempt to prepare and table an interim report on the evidence”;

deleting the words “any conclusions that can be drawn from such evidences”;

c) adding after the words "drawn from such evidences" the following: "and that the working document be made public".

After debate, the question was put on the amendment of Walt Lastewka and it was negatived on the following recorded division: YEAS: Christian Jobin, Joe Jordan, Walt Lastewka, Paul Harold Macklin, Beth Phinney, Alan Tonks — 6. NAYS: Diane Ablonczy, Leon Benoit, Odina Desrochers, Michel Guimond, Marlene Jennings, Jason Kenney, Peter MacKay, Pat Martin, Shawn Murphy — 9.

The question was put on the motion and it was agreed to on the following recorded division: YEAS: Marlene Jennings, Christian Jobin, Joe Jordan, Walt Lastewka, Paul Harold Macklin, Shawn Murphy, Beth Phinney, Alan Tonks — 8. NAYS: Diane Ablonczy, Leon Benoit, Odina Desrochers, Michel Guimond, Jason Kenney, Peter MacKay, Pat Martin — 7.

At 4:49 p.m., the sitting was suspended.

At 4:59 p.m., the sitting resumed *in camera*.

The Committee proceeded to the consideration of matters related to Committee business.

At 5:36 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee

2004/05/13 2:04 p.m.

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 3rd SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CPC

Meeting No. 47

Wednesday, May 12, 2004

IN CAMERA

MINUTES OF PROCEEDINGS

Meeting No. 47

Tuesday, May 12, 2004

The Standing Committee on Public Accounts met *in camera* at 3:41 p.m. this day, in Room 237-C Centre Block, the Honourable John Williams, presiding.

Members of the Committee present: Odina Desrochers, Marlene Jennings, Hon. Joe Jordan, Hon. Walt Lastewka, Hon. Shawn Murphy, Alan Tonks and John Williams.

Members present: Diane Ablonczy for Philip Mayfield, Gilbert Barrette for Hon. Shawn Murphy, Jason Kenney for Paul Forseth, Peter MacKay for Peter Goldring, Pat Martin for Judy Wasylycia-Leis, Vic Toews for Val Meredith and Michael Torsney for Hon. Robert Thibault.

Attendance: *Library of Parliament:* Brian O'Neal, Analyst; Jack Stilborn, Analyst. *House of Commons:* Gregory Tardi, Legal Counsel; Rob Walsh, Law Clerk and Parliamentary Counsel.

Participants present: *KPMG:* Victor Duret, Partner; Greg McEvoy, Forensic Auditor.

The Committee proceeded to the consideration of matters related to Committee business.

By unanimous consent, it was agreed, — That the Chair communicate the Committee's gratitude to all those who participated in the success of the extraordinary hearings of this Committee.

At 8 p.m., the sitting was suspended.

At 3 p.m., the sitting resumed.

At 3 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee

2005/13 2:05 p.m.

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 3rd SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CPC

Meeting No. 48

Thursday, May 13, 2004

IN CAMERA

MINUTES OF PROCEEDINGS

Meeting No. 48

Friday, May 13, 2004

Standing Committee on Public Accounts met *in camera* at 9:13 a.m. this day, in Room 237-C Centre Block, the Honourable John Williams, presiding.

Members of the Committee present: Odina Desrochers, Marlene Jennings, Hon. Joe Jordan, Hon. Walt Lastewka, Hon. Brian Murphy, Beth Phinney, Alan Tonks, Judy Wasylycia-Leis and John Williams.

Guest Members present: Diane Ablonczy for Philip Mayfield, Rodger Cuzner for Dominic LeBlanc, Christian Jobin for Alan Tonks, Jason Kenney for Paul Forseth, Derek Lee for Dennis Mills, Judi Longfield for Hon. Joe Jordan, Peter MacKay for Peter Goldring, Peter MacKay for Hon. Joe Jordan, Marcel Proulx for Hon. Robert Thibault, Benoît Gauthier for Roger Gaudet and Vic Toews for Val Meredith.

Members present: Judi Longfield.

Attendance: Library of Parliament: Brian O'Neal, Analyst; Jack Stilborn, Analyst. House of Commons: Gregory Tardi, Clerk of Legal Counsel.

Participants present: KPMG: Greg McEvoy, Senior Manager.

The Committee proceeded to the consideration of matters related to Committee business.

At 9:47 a.m., Beth Phinney took the Chair.

At 10:58 a.m., John Williams took the Chair.

At 11:02 a.m., Marlene Jennings took the Chair.

At 11:04 a.m., John Williams took the Chair.

It was agreed, — That, notwithstanding the motion adopted by the Committee on April 6, 2004, the Committee next meet on the following dates:

Tuesday, May 25, 2004 from 9:00 a.m. to 1:00 p.m. and 3:30 p.m. to 5:30 p.m.;

Wednesday, May 26, 2004 from 3:30 p.m. to 6:30 p.m.;

Thursday, May 27, 2004 from 9:00 a.m. to 1:00 p.m. and 3:30 p.m. to 5:30 p.m.;

That all such meetings be for the purpose of hearing witnesses who have not yet testified with the schedule of witnesses to be arranged by the clerks in consultation with the Chair, Vice-Chairs and KPMG.

At 11:09 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee

2004/05/13 2:12 p.m.

HOUSE OF COMMONS OF CANADA
37th PARLIAMENT, 3rd SESSION

MINUTES OF PROCEEDINGS

Standing Committee
on

PUBLIC ACCOUNTS

Chair: John Williams, CPC

Meeting No. 49

Thursday, May 13, 2004

IN CAMERA



MINUTES OF PROCEEDINGS

Meeting No. 49

Friday, May 13, 2004

The Standing Committee on Public Accounts met *in camera* at 3:37 p.m. this day, in Room 237-C Centre Block, the Chair, Marlene Jennings, presiding.

Members of the Committee present: Odina Desrochers, Marlene Jennings, Hon. Joe Jordan, Hon. Walt Lastewka, Hon. John Murphy, Beth Phinney, Alan Tonks and Judy Wasylycia-Leis.

Members present: David L. Anderson for Peter Goldring, Rodger Cuzner for Dennis Mills, Jason Kenney for Paul H. Judi Longfield for Hon. Robert Thibault, Paul Harold Macklin for Dominic LeBlanc, Grant McNally for John P. McManis, Rob Merrifield for Philip Mayfield and Vic Toews for Val Meredith.

Attendance: *Library of Parliament:* Brian O'Neal, Analyst; Jack Stilborn, Analyst. *House of Commons:* Gregory Tardi, Legal Counsel; Rob Walsh, Law Clerk and Parliamentary Counsel.

Participants present: KPMG: Greg McEvoy, Senior Manager.

The Committee proceeded to the consideration of matters related to Committee business.

By unanimous consent, it was agreed, — That the Committee authorize the public release of the following documents:

Working Paper II for the Standing Committee on Public Accounts - Chapters 3 (the Sponsorship Program), 4 (Advertising Activities), and 5 (Management of Public Opinion Research) of the November 2003 Report of the Auditor General of Canada - based on evidence received up to and including 30 April 2004;

Summary of Evidence - The Review of Chapter 3 (the Sponsorship Program), Chapter 4 (Advertising Activities) and Chapter 5 (Management of Public Opinion Research) of the November 2003 Report of the Auditor General of Canada for the period ending 19 April 2004 - Communication Agencies;

Summary of the Oral Evidence presented to the Standing Committee on Public Accounts - Audits of the Sponsorship Program, Advertising Activities and Management of Public Opinion Research (Chapters 3, 4 and 5 of the November 2003 Report of the Auditor General of Canada) - Crown Corporations and the RCMP.

At 6 p.m., the sitting was suspended.

At 4 p.m., the sitting resumed.

By unanimous consent, it was agreed, — That the Committee authorize the public release of the following document:

Summary of the oral evidence presented to the Standing Committee on Public Accounts - Audits of the Sponsorship Program, Advertising Activities and Management of Public Opinion Research (Chapters 3, 4 and 5 of the November 2003 Report of the Auditor General of Canada).

At 2 p.m., the Committee adjourned to the call of the Chair.

Elizabeth B. Kingston, Jeremy LeBlanc
Clerks of the Committee

2004/05/14 1:48 p.m.

